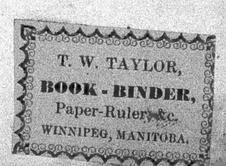

SPEECHES

Speech Dr Schultz on Indian affairs 359.

John Schultz



Contents

Speeches

SPEECHES

ON THE

Public Expenditure of the Dominion,

BY THE

HON. D. L. MACPHERSON,

SENATOR OF CANADA.

DELIVERED IN THE SENATE, OTTAWA, DURING THE SESSION OF 1877.

With Introductory Reflections, addressed to his former Constituents, the Electors of North Simcoe, Grey and Bruce.

"The situation of this country is alarming enough to rouse the "attention of every man who pretends to a concern for the "country's welfare."—Junius.

TORONTO:

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1877.

TO THE ELECTORS

OF THE

Counties of North Simcoe, Grey and Bruce,

CONSTITUTING FORMERLY

THE ELECTORAL DIVISION OF SAUGEEN.

GENTLEMEN,

At the request of members of both Houses of Parliament, I am induced to publish, in pamphlet form, the speeches delivered by me in the Senate during last Session upon the state of the Dominion, and especially upon the increase of that portion of the public expenditure which is largely within the control of the Administration.

I was appointed to the Senate at Confederation in consequence of being then your representative in the Legislative Council of United Canada. I have, therefore, always felt that it was to you—to the trust you reposed in me—that I am indebted for a seat in the highest Legislative Body of the Dominion. I continue to entertain a warm regard for your welfare, and to be ever ready to do all in my power to promote your interests.

Under these circumstances it seems to me fitting that I should address to you, and through you to the people of the Dominion, some reflections introductory to those speeches.

I may premise that I have eschewed partizanship in Parliament. I have discharged what I considered the duty of a Member of the Upper House—namely, to support or oppose measures as I believed them to be for the advantage or otherwise of the country, regardless of the Government under whose auspices they were submitted to Parliament. I laid down this rule for my guidance when I first entered Parliament as your representative, and I am not conscious of having departed from it in any instance.

I welcomed the change of Government in 1873. I entertained great respect for Mr. Mackenzie. I looked upon him as a man of marvellous merit, whose rise was creditable, not only to himself, but also to the institutions of our country. I placed full faith in his truthfulness. I believed in the sincerity of all he had said against political corruption during the many years he

was in Opposition. I believed economy to be, with him, an instinct. I felt persuaded that any Government, of which Mr. Mackenzie was the head, would be distinguished for political purity and financial economy; and it was with satisfaction I saw him succeed to power at a time when the country was about to enter upon the construction of great public works, involving enormous expenditure; confident that, with his practical knowledge, in addition to the other and higher qualities he possessed, he would take no step without due deliberation, and, especially, would not commit the country to engagements inconsistent with its perfect financial safety, or which would require the imposition of new taxes upon the people.

With respect to Mr. Blake, for a long time I looked upon him as one from whom Canada had much to hope. He had inherited a name and station; was endowed with talents of a very high order; he had had the opportunity of cultivating those talents, aided by the highest educational advantages, and his studies were guided as were those of few men in this country. He stepped, it may be said, at one stride, from the law-student's desk to a high place in the first rank of his profession, and then rapidly rose to distinction and fortune. He entered public life while still a young man, and displayed rare aptitude for its work. He professed the loftiest and purest patriotism. His denunciations of political corruption, especially of anything savouring of Coalition, (which he stigmatized as corruption in its most obnoxious form,) are among the most eloquent utterances ever delivered in Canada. Self-seeking and meanness he denounced with withering scorn. Who could doubt that Canada had much to hope from so highly gifted a son? Mr. Blake entered public life when many of the active public men of the day—who have since passed away—were descending in the vale of years. I confess that I placed implicit trust in all Mr. Blake's early professions—I believe, even now, they were made, at the time, in all sincerity. I cannot imagine, circumstanced as he was, that he could have any motive for entering the Government, other than a pure desire to serve his country.

It is true there were incidents connected with the overthrow of the Government of the late honest Sandfield Macdonald, that surprised and startled the observing and thinking among the friends and admirers of Mr. Blake. His share in that episode was, however, forgotten, and he retained the high place he had won with the general public.

When Mr. Mackenzie and Mr. Blake became the leaders in the Government of the Dominion—although some of the means by which they attained power were of a character that can never receive the approval of honourable men, but will be regarded as more and more unfortunate as time carries us away further from the events—still, I say, when Mr. Mackenzie and Mr. Blake became the leaders of the new Government in 1873, the feeling in the country was almost universal that their administration would be conducted upon the principles of political purity, departmental retrenchment, and financial prudence, which they had for so many years persistently and eloquently professed.

I shared in this opinion, and they had my independent support, until I became satisfied that they were violating the pledges of purity, reform and economy which, when in opposition, they had given to the people.

Canada is difficult to govern. The variety of races and creeds, the newly formed union of Provinces formerly separate and independent, the want of homogeneity, unavoidable in a new country, where many of the inhabitants are immigrants of comparatively recent arrival, are among the most apparent sources of difficulty in the administration of affairs, and much allowance should be made for the Government.

I made great allowance for the Government of Mr. Mackenzie. I could not but regret the early retirement from the Cabinet of some of its ablest members, to occupy high and permanent offices. I know it is difficult, under our institutions, to avoid such incidents, but it is disappointing to see men who have devoted many years to entreating the people to give them an opportunity to govern better, if not to save, the country, soon after such opportunity is afforded them, retiring to permanent office; useful and high office, no doubt, but for which other men might have been found equal, while ripe statesmen are always scarce. When Mr. Dorion retired it was of course impossible to replace him in the Cabinet with a statesman of equal experience, from the Province of Quebec.

Mr. Blake, after a brief period of retirement, rejoined the Government, assuming the portfolio of Minister of Justice; and eventually Mr. Cauchon became the colleague of Messrs. Mackenzie and Blake. From that time the Government has been properly known as the Mackenzie-Cauchon Coalition.

I believe the formation of this Coalition was the most severe blow ever inflicted upon the moral sense of the people of this Dominion, and especially of Ontario; for not only was Mr. Cauchon known to them as one whose introduction into the Government rendered it unquestionably what they had been taught by Messrs. Mackenzie and Blake to abhor—a Coalition—but Mr. Cauchon, politically and personally, had been held up to public execration by the organs of the present Government. I shall not enquire whether this was deserved, but I may say without fear of successful contradiction—even if he is as black as he was painted by his present friends—that, compared with others of Messrs. Mackenzie and Blake's colleagues, Mr. Cauchon is in intellect a giant and in virtue immaculate.

If Mr. Blake's professions were sincere in the past, his intimate association with some of those who are his present colleagues, must be to him a very abyss of political degradation. And why has he allowed himself to be thus dragged down? Mr. Blake's *prestige* in the country four years ago was so great, and his services in the Government so indispensable to his party—as they are still—that Mr. Mackenzie and he could have demanded the support of their followers in the fulfilment of their life-long pledges. He should have said, in effect, to the self-seeking and unscrupulous, in words of burning eloquence such as I cannot command:—" Mr. Mackenzie and myself are true men. " We intend, in governing this country, to redeem the pledges we gave to the

" people, and of which you were the witnesses. Unless you will support us " in doing this we shall resign the reins of Government to other hands, but " we shall retain our self-respect and the respect of all right-thinking men, " and without these we should indeed be abject, and could render our country " but poor and halting service."

Can it be doubted, had he addressed in this spirit, and in the manner of which he is so accomplished a master, the great majority which was returned to the House of Commons to support the Government, that that majority would have rallied to the support of their leaders? If there be any doubt, where is the patriotism and political morality of the party in power?

In the intimate association that must necessarily subsist among the members of a party carrying on the Government, it is impossible that a few, or even one, can for any length of time remain better or purer than the others. One of two things must occur if they continue in association: either the unselfish, the patriotic, the pure, if but one, will leaven the mass, lift it up and place it on a level with himself, or the mass will draw him down to their own level.

The latter unfortunately appears to have been the fate of Messrs. Mackenzie and Blake. It is to be deplored, in the interests of the country, that they should have been guilty of political recreancy. They have struck a blow at the purity of public life and at the *morale* of the whole Commonwealth from which it cannot recover during the present generation. In their case, as in all like cases, the first downward step was irretrievable and fatal; their subsequent descent, until they landed in the disgraceful scandals of the session just closed, was rapid.

Mr. Mackenzie's political tergiversation is matter for profound regret, indicating as it does a disregard for solemn pledges on the part of one of the loudest professors of political purity which the country has produced. It was begun, too, at a time, I may say, when he revelled in the plenitude of power, receiving the support of the people and their representatives with an unanimity never before enjoyed by a Prime Minister of Canada. Mr. Mackenzie, therefore, cannot urge in extenuation of his backsliding even the poor plea of weakness.

Mr. Blake was looked upon as the young Bayard among the public men of Canada, to whom office would be a burden only to be undertaken and endured for the opportunities it would afford him of serving his country, and to be relinquished the moment it became a question between office on the one hand, and consistency, self-respect and honor on the other. It was supposed that his only ambition was to serve his country and merit the approval and confidence of his countrymen. Mr. Blake's high character and known independence gave him the power, had he chosen to exercise it, not only to frown down all incipient self-seeking and meanness among the greedy of his supporters, but to prevent, or at least stop when discovered, flagrant and scandalous violations of the Independence of

Parliament Act. Such violations were charged in some cases against leading members of his party, and in connection with the other cases the Government itself is more seriously compromised than any non-official member of Parliament, as in all cases of real turpitude the Government was necessarily a party. But Mr. Blake did not so exercise his power.

Had such scandals as were brought to light last session been established four or five years ago—that the Speaker of the House of Commons, the arbiter in that House between the Government and the Opposition, on whose impartiality the minority is dependent for justice and fair play, the guardian of the rights and privileges of the Commons—had it, I say, been established four or five years ago that the Speaker had been for four sessions of Parliament a Government contractor, and, in that capacity, had received large sums of public money in violation of the Independence of Parliament Act, would not Mr. Blake have made the country resound, and very properly, with his fervid eloquence in denunciation of so brazen and corrupt a scandal?

When it was discovered that the Speaker of the House of Commons and many members of Parliament were involved in these scandals, what said Mr. Blake? No word of condemnation fell from his lips. How could Messrs. Blake and Mackenzie condemn that in which they as members of the Government were participators? It need not, however, surprise Mr. Blake if, in the minds of those who mark his silence now, doubts arise of the sincerity of his lofty-toned, but unjust and cruel, diatribes in 1871 against Colonel Gray, then of New Brunswick.

The scandals revealed last session were the grossest ever committed in Canada—I do not except the Pacific Railway Scandal or any other. I need not tell you that I am no defender of what was done with respect to the Pacific Railway contract in 1873. It is well known, however, to every man who has been a Member of Parliament, or a candidate, as well as to every elector in the country, that spending money at elections in those days was regarded as a pardonable act of illegality. But, I ask, would any one think of comparing in enormity such expenditure with the scandals unearthed last session? Consider the culminating scene in the House of Commons on the last day of the session. The Committee of Privileges and Elections deciding that the Speaker had been a Government contractor, had therefore vacated his seat, and reporting their decision to the House—but the Government preventing the consideration of the report by its presentation being so timed as to be simultaneous with the summons of the Governor-General to the Prorogation.

The House of Commons which by a discreditable manœuvre thus burked the consideration of a report that told the world its Speaker had been paid by the Government nearly Twenty Thousand Dollars, in violation of the Independence of Parliament Act, and therefore had no right to the seat he occupied, was the same House which only a fortnight before had adopted the report of a Committee calling upon Sir John Macdonald to pay back Six Thousand Six Hundred Dollars that he had spent in

the public service. Was not this a rare and humbling exhibition of straining at a gnat and swallowing a camel?

The Government were not only necessarily active participators in these scandals, but, by the course they pursued in burking the inquiry and otherwise, they compelled all their supporters in Parliament to become morally participators with them.

When Messrs. Mackenzie and Blake, who for so long a time professed to keep vigilant watch over the people's money, who arrogated to themselves the places of Tribunes of the people,—when they proved not only faithless to their pledges generally, but participators in political offences of the heinous character brought to light last session, it became the duty of every man who was in any position to do it, to call attention to them and point out that those offences were in their nature more debasing, and in their evil tendencies more wide spreading, than any previously known to this country.

It is painful to me to write in these terms of the Government of our country, and especially of Messrs. Mackenzie and Blake, two gentlemen for whom I had entertained great respect and in whose professions of political integrity I at one time placed confidence. It was not pleasant to discover that I had been deceived by them, but so it was, and I declared it from my place in the Senate more than a year ago. Many were deceived as I was, and I know that what I am now proclaiming, as from the house-top, thousands are confessing at their firesides in friendly interchange of confidence with their neighbours.

When men set themselves up as leaders of their fellow-men, basing their claims mainly upon their pretended higher political morality and purity, as Messrs. Mackenzie and Blake did, and when it is discovered that the chief difference between them and those they assailed was in the garment the assailers wore—the cloak of political hypocrisy—it becomes a duty to exhibit them to the people in their true character.

Mr. Mackenzie and Mr. Blake took their stand, as it were, in the political market-places and thanked heaven that they were not like other men, especially not like that vile offender, Cauchon; and when he came between the wind and their purity, they, with averted and upturned heads, went away, saying that his sins were "rank and smelt to heaven." But they are now the colleagues and bosom friends of Mr. Cauchon, and thus show that they are more guilty than he, by, at least, one sin,—the odious sin of hypocrisy.

Again, we can picture them in the same market-places, beating their breasts and, with real eloquence, pouring out their expressions of gratitude that they were not only better than mankind in general, but especially better than that irreclaimable sinner, John A. Macdonald, who, in addition to habitually committing all the sins forbidden by the Decalogue, was a "Political Coalitionist," an offence for which, according to their code, there was no pardon.

Now, look at their own Government—a Coalition! Yes, the most heterogeneous and unprincipled Coalition that ever existed in this country, chiefly

composed of men who were brought together, and are kept together, by no higher principle than selfishness, the salaries and perquisites of office.

When they were struggling for office, Sir Francis Hincks, in debate, described their party as "an organized hypocrisy," and it would be difficult to characterize it more appropriately and truthfully. After having been so deceived, will the people ever again place confidence in the asseverations of professors of political purity?

Now that I have shewn that these gentlemen have utterly repudiated and thrown to the winds all their professions and pledges of political purity, let us endeavour to discover what they have done as statesmen and administrators. Their only attempt at what may be called high statesmanship was the negociations in 1874 and 1875 with British Columbia, and no Canadian can read the Orders in Council and despatches of his Government upon those occasions without a blush.

What can be said for them as mere administrators? They succeeded to power under most advantageous circumstances for themselves. Their triumph at the polls was unprecedented. In Parliament their measures were not only unopposed, but almost uncriticized, so overwhelming was their majority, so beaten and dispirited was the Opposition. They came into office, after twenty years' discipline in Opposition, proclaiming during that whole period that they had a policy, the introduction of which would be of incalculable advantage to the country. If they had had a policy, they certainly had a favourable opportunity of introducing it.

The Dominion, in all its Provinces, has now for some years been suffering from commercial depression and financial stringency, unexampled in severity in the memory of the active men of to-day. These have gone on increasing in intensity, aggravated by the failure of the crops of last year, until now, it may be said, that the sound chiefly heard in our streets is the voice of complaining. The farmers, in many parts even of our favoured Province of Ontario, have been compelled to import large quantities of corn for provender, and in some districts even wheat for bread. The aggregate amount of money borrowed by them, and secured by mortgages on their homesteads, during the last nine or ten months, is undoubtedly larger than was ever before borrowed by them in the same space of time. The manufactories of the country are unprofitable or closed; the lumberman is either selling his lumber at a loss or holding it to sell, perhaps, at a still greater loss; the country merchant, unable to collect his debts, is, in turn, unable to pay the wholesale merchant, and, with deplorable frequency, both are launched into insolvency.

It may be said that Loan Societies and Official Assignees are the only classes who are at present doing a prosperous business. Such has been the universal and great shrinkage in the value of property of every description that there is scarcely a man in the country who is not poorer to-day than he was a year ago. The Government, unfortunately, has evidence of the truth of this in the Department of Public Finance, that trusty

barometer of the prosperity of the people. Four, five, and six years ago, the annual revenue invariably exceeded the most sanguine estimates of the then Ministers of Finance; now the revenue falls below the most cautiously prepared estimates. Governments cannot increase in riches so long as the governed are growing poorer. This is a truism which our Government would do well to lay to heart.

The circumstances of the people are not such at present as to render the prospect of increased taxation agreeable; but we shall have to bear increased taxation. The largely augmented expenditure of the present Government, continued in the face of a diminishing revenue from the ordinary indirect sources, must, I apprehend, render direct taxation an inevitable and early necessity. This is a matter that affects you closely, for if direct taxation has to be resorted to, a land tax will in all probability be one of its features.*

Now, while the country has been suffering as I have described—and no one can say that the picture is overdrawn—several sessions of Parliament have been held, each at a cost to the people of this Dominion of about Six Hundred Thousand dollars. And what has Parliament done, or attempted to do, to revive the languishing, the almost extinct industries of the country, or to alleviate the existing depression, or even to inspire the desponding with a ray of hope? It has done nothing, and attempted nothing. On the contrary, the Government declared that it was not in the power nor was it the function of the Government or of Parliament to alleviate by legislation the widespread suffering, and said, substantially, that the depression had been produced by overtrading, and could only be relieved by a wholesome contraction of trade.

Is it then to be admitted that free and constitutional Governments have it not in their power to do aught to advance the interests of the countries they govern? Is there no science in statesmanship? Are Cabinet Ministers only Cashiers to receive and disburse the Revenue, and Officers of the law to preserve the peace? If these are their only duties, our Ministers are too many in number and vastly over-paid. These lower functions are all that our Government profess to discharge, but I think there are much higher ones which they might exercise with signal advantage to the country; but they must see these latter ones before they can exercise them.

If, in the opinion of the Government, Parliament could not, by legislation, do anything calculated to revive the prosperity of the country, what did it give to the people, during its last session of nearly three months, in exchange for Six Hundred Thousand Dollars of their money? Few Acts of importance were passed, and the country would not have been much, if at all, the loser if it had had to wait for most of these for some years to come.

The power and ingenuity of the Government seem to have been exhausted

* If direct taxation could be made to bear equitably upon the whole people of a country it would be the most economical and best mode of raising revenue, but political economists have not yet devised a system of direct taxation at once equitable and practicable.

in efforts to injure the character of Sir John Macdonald. This appears to have been the only policy of last session. I can discover trace of no other. True, it was not ennobling to the actors nor calculated to benefit the country or exalt its name at home or abroad. Happily for the credit of Canada, these efforts failed in their object.

Much of the time of the Committee of Public Accounts of the House of Commons was spent in what I think may be called the trial of Sir John Macdonald. The Minister of Justice did not think it unworthy of his high office to rise in that Committee (two-thirds, at least, of the members of which were his political supporters, ready to accept his reading of the law), and to arraign and examine Sir John Macdonald, his predecessor in office, for having misappropriated or spent without proper authority Six Thousand Six Hundred Dollars of the Secret Service Fund.

The whole proceeding was a cruel indignity offered to that gentleman. His pursuers should have remembered that he had been a Minister of Canada for a quarter of a century, trusted by the people with the whole destinies of the country,—destinies which he had guided with great success, the people enjoying unexampled prosperity, every intelligent and industrious man growing richer and richer year by year, while it is well known that Sir John Macdonald left the public service a poorer man than he entered it.

It is also known that the emoluments received by Cabinet Ministers now are about one-half larger than were received by them during his time, except for the last few months of his public service.

I desire to refer to another matter, one in which my own name came up. During last summer a Royal Commission was issued, ostensibly to enquire into the affairs of the Northern Railway Company (strange to say, after Parliament had commuted the debt owing by the Company), but, apparently, mainly for the purpose of endeavouring to show that sums of money, in all Two Thousand Five Hundred Dollars, subscribed by individual Directors of that Company to a Testimonial to Sir John Macdonald (of which I was Treasurer), and paid for them, by the Company, could be made to appear by legal sophistry to belong to the Government.

This inquiry was followed up by a Committee of the House of Commons, before which it was established that the Testimonial (set on foot when he was supposed to be on his death-bed) was for the benefit of his wife and family, and that Sir John did not know who any of the contributors were.

The object of the Government in all this must have been to manifest ostentatiously their jealous care, faithful guardianship, and sleepless watchfulness of the people's money. If a scrupulous care of the people's money had characterized their administration of public affairs through all its ramifications, we might admire their stern consistency, and their fidelity to their pledges of retrenchment and economy.

To assist you in determining whether their administration has been governed by a proper consideration for the means and resources of the country, —by that consideration which their pledges entitled the people to expect,—I

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will submit to you a few facts in respect to their management of some of the Public Works, beginning with the

PACIFIC RAILWAY.

The course of the Government with respect to this great undertaking has been extraordinary and unfortunate. They do not seem to have been governed by any settled policy or plan, and without these they rushed into large expenditure, and committed the country to heavy engagements. They began, not by constructing any part of the main line, but by giving Mr. A. B. Foster a contract for what they called the Georgian Bay Branch of the Pacific Railway. They did this without first surveying the country through which this Branch line was to run, and therefore without an estimate of its cost, or even knowing whether the undertaking could be carried out. When explored, a great part of the country was found to be a barren wilderness, impracticable within any reasonable cost for a Railway, on the line and of the curves and gradients specified in the contract. The project had to be suspended, the contract cancelled, and One Hundred and Nine Thousand dollars were paid to Mr. Foster, for which, so far as I can discover, the country got very little value.* Why this Branch should have been placed under contract so hastily and recklessly, requires a fuller explanation than Mr. Mackenzie has yet given. One thing is certain, the interests of the Dominion did not call for and were not consulted in this transaction.

Then, with respect to the Main Line, the Government saw fit to commence it on the section between Thunder Bay—or rather between Fort William on the bank of the Kaministiquia, six or eight miles from Thunder Bay, on Lake Superior—and the Red River, a distance of 410 miles, through a wilderness, no part of which, worth mentioning, according to the testimony of Mr. Sandford Fleming, Chief Engineer of the Railway, is fit for settlement. Mr. Fleming's evidence upon the subject is in full accord with that of all other persons who have visited the region. It abounds in small lakes, quagmires and rock. Through a considerable part of the country the construction of the Railway will be difficult and costly, there being much rock cutting and some tunnelling. When finished it will only be a summer road, open for five months in the year, and run at enormous loss to the country. Long before it is finished the American line from Duluth to Pembina, on the frontier of Manitoba, is certain to be completed, and will be open *via* St. Paul all the year round.

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* This item of One Hundred and Nine Thousand Dollars stands in the Public Accounts as stated above, but it was explained in Parliament that Forty-one Thousand Dollars was the amount paid to Mr. Foster on account of his contract for the Georgian Bay Branch, and that the balance, Sixty-eight Thousand Dollars, was an advance made to him upon Iron Rails, under his contract with the Canada Central Railway Company for building the line—subsidized by the Government—to connect the Georgian Bay Branch with the Canada Central Railway. These Iron Rails were valued at Forty-eight Dollars per ton and three-fourths thereof, or Thirty-six Dollars, per ton were advanced upon them. *Steel* Rails could have been bought deliverable this Spring at Montreal at Thirty-six Dollars per ton.



The Pacific Railway is under contract from Fort William westwards to English River, a distance of 113 miles, and from Selkirk, on the Red River eastwards to Keewatin (Rat Portage) 114 miles, including the costly section, *number fifteen.* At Port Savanne, 73 miles west of Fort William, the Railway will connect by the Savanne River with the waters of Lac des Mille Lacs, and of other and smaller lakes, and through them with Rainy Lake and River, and the Lake of the Woods.

It has been represented that the Railway will thus connect with and open for trade and commerce, upwards of 300 miles of water communication.

You can judge of its value as an avenue for trade and commerce when I tell you that the difference in level between Lac des Mille Lacs and the Lake of the Woods is about four hundred and thirty feet, and is overcome by nine portages. The most inexperienced in such matters will at once see that it will be utterly impossible to transport merchandize over this route; and yet this is the route the Government spoke of employing for transporting rails and other materials for the Pacific Railway from Port Savanne westerly. The Government does not appear to have known more of this country, when it plunged into heavy expenditure in it, than it did of the region through which it contracted for the building of the Georgian Bay Branch.

The next work upon which I will say a few words is

FORT FRANCIS LOCK.

When it was expected that the Pacific Railway would follow pretty closely the line of what is known as the Dawson route, that it would connect at Sturgeon Falls with the waters of Rainy Lake and that the chief water stretches (Rainy Lake, Rainy River and the Lake of the Woods) would be utilized for many years as part of the communication to the North-West, I could understand the policy of constructing Locks at Fort Francis, as, with other improvements, they would make navigable in one "stretch" the distance from Sturgeon Falls to the north-west angle of the Lake of the Woods, one hundred and seventy-seven (177) miles, and render unnecessary for a very long time the construction of about the same number of miles of costly Railway. But instead of carrying the Railway along the Dawson or Southern route, the Engineer deemed it better to locate it upon a line which removes it about one hundred (100) miles north of Fort Francis, so that the one undertaking has no possible connection with the other. Moreover the locating of the Railway on the level of Lac des Mille Lacs renders the utilization of the water stretches impossible, because it is separated from them by what is practically an insuperable natural obstacle—its altitude of four hundred (400) feet above Rainy Lake.

The works at Fort Francis, like the Georgian Bay Branch, were undertaken without survey, and without estimate. They cost, up to the 20th December last, One Hundred and Eight Thousand Six Hundred and Seventy-four Dollars, and only a small proportion of the work is performed.

How much has been expended since upon them, I have not the means

of knowing, but when surveys and estimates have been obtained, it will be for the Government to determine whether to proceed with them, or discontinue them and let the country lose the outlay, as in the case of the Georgian Bay Branch. Strange to say, the expenditure is charged against the Pacific Railway.

If these works should be proceeded with, the country will be committed to a further large expenditure for the improvement of Rainy River. This river is the Boundary Line between the Dominion and the United States. It, therefore, would seem but reasonable and just that expenditure made in improving this international communication should be shared by both countries in the proportions in which they are interested Now that Canada is building a railway through that country, her interest in the improvement of those "water stretches" is very small. The inhabitants of Minnesota are the people who will be chiefly benefitted by the improvement of Rainy Lake and Rainy River, including the lock at Fort Francis. I regard our expenditure there as unnecessary and indefensible.

But surely the whole expenditure between Lake Superior and the Red River is premature and unwise! That section of the Railway will cost not less than Twenty Millions of Dollars; the interest will be One Million of Dollars a year, and with the loss on working the road (which I shall not venture to estimate) will amount to an enormous sum, to be borne by the tax-payers of this Dominion. I may say, my own opinion has always been that we should have been content, for a time, to use the United States lines for our all-rail-route to Manitoba, and begin our Pacific Railway at Pembina, thence to Winnipeg, and on through Manitoba and the North West, combining with its construction a comprehensive and attractive scheme of Immigration, under which Immigrants would be assured of employment and land,—employment first, and land afterwards. The lands retained by the Government in the North West, owing to the settlement of adjoining lands would have been enhanced in value, and their sale would have provided funds to aid in extending the railway as required without overburdening the Dominion Exchequer. In this way the Canadian Pacific Railway east of the Rocky Mountains could have been built as fast as required, for very little money, and our prairie country would have become quickly peopled. A similar course, as far as adaptable to British Columbia, might have been pursued in that Province; and when the Government decided to build the road as a Public Work no reasonable objection could be urged against this policy. Had it been followed, the Dominion, from the Atlantic to the Pacific, would have been more prosperous than it is to-day. We should have been free from the heavy engagements that weigh upon us, and free also from the financial peril that stares us in the face—imminent if not inevitable. Our expenditure to this time upon the Railway would have been comparatively small, and would increase only as might be convenient, for it would be subject to our own control.

As it is, the outlay in connection with the Pacific Railway to the 30th June,

1876, (according to the public accounts) amounts to the large sum of Six Millions Two Hundred and Fifty-four Thousand Two Hundred and Eighty Dollars. This includes the sum of Fifty-one Thousand Four Hundred and Nineteen Dollars paid for the station ground at

FORT WILLIAM ON THE KAMINISTIQUIA,

being, exclusive of streets, about seventy-five acres of land of the town plot of Fort William (a paper town in the wilderness) which the Government bought from their political friends at the rate of about Six Hundred Dollars per acre! Included in the sum of Fifty-one Thousand Four Hundred and Nineteen Dollars, is Five Thousand and Twenty-nine Dollars and Thirty-six Cents, paid by the Government for an unfinished building, said to have been intended for a hotel.

I have seen no explanation of this transaction that justifies it or removes it from grave suspicion of jobbery. The subject was referred to a Committee of the Senate, but too near the close of the Session to permit the completion of the inquiry. The evidence of Mr. Fleming, Chief Engineer, and of Mr. Murdock, the locating Engineer at that point, was obtained. The former testified that the terminus was settled in conference with Mr. Mackenzie, that he (Mr. Fleming) was much surprised at the price paid for the land. Mr. Murdock testified that he located the line under instructions from the Department of Public Works, notwithstanding he had recommended a point nearer to the mouth of the river for the terminus, where the facilities would be greater and where a farm was offered for terminal grounds at $75 per acre.

What is already known in connection with the selection of the terminus on the Kaministiquia renders a searching enquiry into the whole matter absolutely necessary.

From all the information I have been able to obtain, my own opinion at present is, that this terminus of the Pacific Railway cannot permanently remain upon the ground which has been bought and paid for, but that it must be removed either nearer to the mouth of the Kaministiquia, or to Prince Arthur's Landing.

It undoubtedly requires great vigilance on the part of the Government to protect the public interests when large expenditure is in progress, such as that upon the Pacific Railway survey, extending as it does across a great part of the continent, which, between Manitoba and British Columbia, is almost entirely uninhabited. Persons under the title of Purveyors are employed, who seem to traverse the whole country between Lake Superior and the Pacific Ocean, disbursing public money for every conceivable purpose. It may be a necessary but it certainly is an objectionable system, as efficient supervision or audit of the expenditure would seem impossible. The following large amounts were expended in this way during the fiscal year ending on the 30th June last:

At Prince Arthur's Landing on the requisition of N. Bethune, Purveyor	$158,891 50
Paid in Manitoba by cheques drawn by Thos. Nixon, Purveyor.	194,537 45
Paid in British Columbia by cheques drawn by J. Robson, Purveyor	322,888 98
Then for account of St. Francis Lock there are disbursements by N. Bethune	14,212 53
Same account, by John Logan	39,174 46
Various supplies from other parties, chiefly in Toronto	23,142 35

Purveyor Thomas Nixon is probably personally known to many of you who reside in the Township of Proton.

These introductory observations have extended to much greater length than I intended when I took up my pen, but I must not close them without alluding to that colossal blunder of the Government, the purchase years before they were wanted of

FIFTY THOUSAND TONS OF STEEL RAILS.

I think it will be admitted that Governments have no business to speculate with the public funds; that is, they have no right to spend the people's money before it is absolutely necessary to do so. It is no part of their duty to forecast the course of the markets for steel rails, or any other commodity, which the country may want at some future day. The members of our Government are not supposed to have had special training for such work. If they had had they would not have bought 50,000 tons of steel rails in a falling market when the rails were not required, and on the advice of persons interested in selling. Mr. Mackenzie says he acted on the advice of hardware merchants and agents of iron masters—the very men who were interested in making sales, especially in a falling market.

Mr. Mackenzie also says he consulted Mr. Sandford Fleming, the Chief Engineer. Mr. Fleming has had great experience in his profession, but speculating in steel is not in the line of his profession, and I am sure Mr. Fleming does not pretend to have any skill in judging of the probable course of markets.

It is two years and a half since the Steel Rails were bought; no portion of them was required for the Pacific Railway until this summer, and only a small quantity will be wanted during this season. Had the Government not ordered these rails till last autumn, which was as early as they need have done, they could have contracted for the delivery of 50,000 tons at Montreal for One Million One Hundred and Thirty-eight Thousand Nine Hundred Dollars less than the country has paid for that quantity.

But if the Government had waited until last fall the order would not have been for 50,000 tons but for enough only for one year's requirements—probably 10,000 or 12,000 tons, at Thirty-six Dollars per ton, costing at Montreal Four Hundred and Thirty-two Thousand Dollars, or say, delivered at destination, Five Hundred Thousand Dollars. This is all that need

have been disbursed for steel rails, for the Pacific Railway, to the close of this year. But, instead of this amount, the Government has actually disbursed n cost, charges, and interest—upwards of Three Millions Five Hundred Thousand Dollars, being Three Millions and odd Dollars more than they need have disbursed, and which sum, now represented by piles of corroding steel rails, might have been and ought to have been still at the credit of the country with its bankers, where it would be convenient to have had it at present.

On a subsequent page will be found a statement of the transaction. It shows that the country, up to the 30th June last, had lost by it more than a Million and a Half of Dollars; and further payments have been made which were not included in the Public Accounts of last year.

Is not this appalling? Consider what might be accomplished in this country with One Million Five Hundred Thousand Dollars judiciously expended, and that of this lost sum, no less than One Million One Hundred and Twenty-three Thousand One Hundred and Fifty Dollars were paid away needlessly by the Government, to English ironmasters.

The loss to this date is not limited to the amount shewn above. But in consequence of having the rails on hand, the Government despatched five thousand tons to Vancouver Island, without waiting to see whether the Bill to provide for the construction of the Esquimault and Namaimo Railway would pass. They would not have done this, had the rails not been on hand. The Bill did not pass. The rails are now lying on Vancouver Island corroding, and no man can say when they will be required. They represent in cost and freight not less than Three Hundred and Twenty Thousand Dollars.

There is still another and a worse case. The rails sent to Vancouver Island, although deteriorating, are the property of the country; but the Government has taken authority to make an absolute gift of about 4,000 tons of these rails to Nova Scotia for a private Company. When it was discovered that the Steel Rails would not be wanted for the Pacific Railway for years after they were purchased, about eleven thousand tons were sent to Halifax for use upon the Intercolonial and other Government Railways in the Maritime Provinces. One of these, the

TRURO AND PICTOU RAILWAY,

is about 52 miles long, connecting at Truro with the Intercolonial Railway, and at Pictou with the Gulf of St. Lawrence. To aid in extending Railway communication into the eastern part of Nova Scotia, the Government agreed to transfer the Truro and Pictou Line, by way of bonus, to any Company that would agree to continue it from a point near Pictou to the Strait of Canso, The negotiations were commenced in the time of the late and concluded by the present Government.

In 1874 the House of Commons passed a resolution authorizing the Government to conclude the transaction, and an Act was passed last Session to give effect to it. When this Bill was passing through the

House of Commons, the House was not informed by the Government, as it ought to have been, that subsequent to the House's authorizing the transfer of this Railway, a very large sum of money had been expended upon it. When the Bill came to the Senate, no communication of this expenditure was made to that House. Attention was called to outlays amounting to Seventy-seven Thousand Three Hundred and Sixty-nine Dollars for new works at Pictou and elsewhere upon the line; surprise was expressed that they should have been incurred after the Government had authority to transfer the Railway to a private Company. And this led to the astounding discovery that the Government had actually re-laid 42 miles of the line with steel! which must have taken, including sidings, about 4,000 tons of rails.

The excuse offered by the Government for this unauthorized, and, under the circumstances, extraordinary expenditure, was that the Railway had to be maintained, that the track was wearing out and had to be relaid. But does any one suppose that it would have been relaid with steel had it not been for the unfortunate purchase of steel rails? The Government had them on hand and were anxious to get them out of sight, and to help to do this actually gave away four thousand tons, which cost about Two Hundred and Twenty-five Thousand Dollars, to a private Company.

The road had been open only a few years, and, considering its light traffic, the track cannot have been in very bad order. Whatever renewals were necessary should have been in iron rails, of which a large quantity was removed on the Intercolonial, to be replaced by steel. The iron so removed was nominally lent, but I presume really given, to private Companies who are building Branch Railways to connect with the Intercolonial. If these iron rails are sufficiently good to lay upon new roads, surely they were good enough for repairing a Railway which was about to be given away.

It was said by the Government when the Bill was before Parliament that the Railway had very little traffic, but certainly the expenditure upon it would lead one to suppose that the traffic must be considerable and increasing. After its transfer had been authorized the Government must have expended upon it for new works, relaying the track with Steel Rails, &c., Three Hundred and Twenty-five Thousand Dollars,—an addition to the gift contemplated by the House of Commons, wholly unauthorized. What can be said, not in justification, but in extenuation of thus giving away public property without the knowledge of Parliament?

The Government Steel Rail adventure in all its unfortunate phases, of which the Truro and Pictou is not the least remarkable, is so extraordinary—was embarked in so unnecessarily and unwisely, conducted so recklessly, if not corruptly, and has been so dire in its consequences to the country—that it would be altogether incredible were not the facts and results, as they are, absolutely demonstrated.

The transactions which I have brought under your notice involve the absolute waste of Millions of the public money; and the men who are directly

responsible for this waste are the same men whom the people—placing confidence in their ability as statesmen and administrators, putting faith in the sincerity of their professions of purity and in their promises of retrenchment and economy—raised to supreme power, and to whose support in the House of Commons the people sent a majority so large as to render the sway of the Government altogether unquestioned in the Dominion. Absolute power carries with it weighty responsibility. The present Government has wielded the power for nearly four years. How has it discharged the responsibility? Traverse the Dominion from Cape Breton to Vancouver Island, and enquire how the Government has acquitted itself of its duties; and the answer, from supporter and opponent alike, will be an expression of disappointment—varying in emphasis, of course, but always condemnatory.

Four sessions of the present Parliament have been held, at a cost to the people of about Two and a Half Millions of Dollars. Throughout all this period the control of the Government has been absolute—its majority in the House of Commons being overwhelming, and the Senate not unfriendly.

Whoever will search the Statute Books of these four sessions will find that the legislation of importance to the Dominion has been almost infinitesimal, and altogether incommensurate with its cost.

I fear the Government will go on still increasing the expenditure, and that deficits will continue to roll up. Should the war now raging in Europe extend, money will certainly become dearer in England. I am not without apprehension that the construction of even the useful and most desirable of the public works in progress may have to be retarded, if not suspended, and will thus, although representing a large outlay, be for a time of no utility, because unfinished. In times like the present, even if managed with prudence, our finances would give cause for anxiety; managed as they are, the future is pregnant with peril. In the Senate, I gave it as my opinion that Parliament should not rise without making better provision for the future. It would have been wiser to have provided foı the existing deficit of Two Millions of Dollars than to wait until next session, when Parliament may have to deal with two deficits, each probably of Two Millions.

I regret to have to write thus of our public affairs. But unless the facts are made known to the people, the evils will not be remedied, and there is a numerous and influential class of men throughout the country interested in concealing the truth and profiting by the evils which prevail.

I wish that less of the work of exposing the mis-government of our rulers had devolved upon me; but I cannot look on in silence, and see the vital interests of the country compromised by those to whom its destinies are entrusted. I hold that every Member of Parliament is charged with the care of those interests, and that it is his imperative duty to give utterance to what he conscientiously believes is demanded in the public welfare.

I am, as you all know, one of the non-official class, having nothing to gain by the rise and fall of Administrations; having no object to serve beyond that

which I have in common with you and with every lover, as well as every tax-payer, of Canada;—interested only in the good name and fair fame of our country; interested in the honest, efficient and economical administration of public affairs; and, above all, because essential to the attainment of the others, interested that our Ministers should be men worthy to constitute the Government of Canada—men of high character and consistency, men of truth and honour.

To enable you to form a judgment for yourselves upon the increased amount of our expenditure, especially the controllable portion of it, I submit the facts to be found in the following pages, all of which have been extracted from official sources. I think you will agree with me that the exhibit is truly alarming—that the increase of our controllable expenditure is greatly in excess of the requirements of the public service, as well as far beyond the present means of our people. The increase of our public debt is also appalling, inasmuch as it is being incurred mainly for the construction of Works which will not only be unproductive, but the maintenance and working of which will be attended with heavy annual loss.

I have brought under your notice evidence only of the larger acts of maladministration and of the grosser cases of extravagance and worse than extravagance that have been brought to light. How much remains to be discovered time only can tell, and even time may not disclose all the evidence that exists of administrative incapacity,—of reckless extravagance—of absolute waste of the public money—of scandalous jobbery. The present Government have certainly made haste to impoverish the country and impair its credit, and, simultaneously, have made havoc with the reputations of its members, while their pretensions to statesmanship and political purity have been utterly swept away.

Less than four years ago, Messrs. Mackenzie and Blake, as the leaders of the new Government, may be said to have unfurled their banner, and to have inscribed upon it

REFORM, RETRENCHMENT, ECONOMY, PURITY!

It was borne over the Dominion in triumph, amid the acclamations of the people. Four short years have more than sufficed to prove the hollowness of these lofty pretensions.

The proud inscription is effaced, and the banner itself is trailing in the dust.

I have the honor to be, Gentlemen,

Your very obedient Servant,

D. L. MACPHERSON.

P.S.—After the preceding pages were in type, I saw the official report of a debate on a motion of Mr. Kirkpatrick's, on the Fort Francis Lock. Mr. Mackenzie's speech on that occasion strikes me as being so extraordinary that I feel it my duty to bring it under your notice.

On the 21st February last, (*vide* official report of the House of Commons) Mr. Mackenzie, said :—" It (the Pacific Railway) touches at present " west of the Lac des Mille Lacs, or rather, the Kaministiquia River (*sic.*, " Savanne River ?) at a navigable point, a little beyond which the " latter falls into the Lake. *From that point there is almost continuous navi-" gation with a few short portages on the way to Rat Portage, the crossing place " of the Pacific Railway, on Winnipeg River, with only one great obstacle, which " could not be overcome in any other way, than by constructing a Lock at Fort " Francis.* There are, as I stated roughly last night, two hundred and " twenty-eight miles under contract between Lake Superior and Red River, " of which one hundred and sixteen miles lie at the east end, or westward from " Fort William. At about seventy miles from thence, we reach a point east of " Lac des Mille Lacs, thereby coming into the best navigable system at a " place much further west, than would have been obtainable if the first con-" templated line had been followed out."

It would be difficult in the same space to compress more of erroneous and misleading statement concerning the country spoken of, but not described, than is contained in the foregoing extract from Mr. Mackenzie's speech. I have italicized its most important passages; and unless it was intended to be meaningless, it foreshadowed enormous and useless expenditure. Mr. Mackenzie, judging by the report of his speech, made light of the " few short portages" between Lac des Mille Lacs and Rat Portage,—(Keewatin,) " the only one great obstacle" being at Fort Francis, which he said would be overcome by the construction of the Lock in progress at that point. Would the reader of Mr. Mackenzie's words suppose that the difference in level between the waters of Lac des Mille Lacs and of the Winnipeg River at Keewatin (Rat Portage) is no less than four hundred and thirty feet ? The Fort Francis Lock will only overcome twenty-two feet of this fall : four hundred feet of it lie between Lac des Mille Lacs and Rainy Lake, and are, at present, overcome by eight portages. Everything, therefore, that is transported over this route must be transhipped twice at each of these eight portages, must be handled sixteen times between Lac des Mille Lacs and Rainy Lake. Imagine Steel Rails and other heavy materials for the Pacific Railway being thus transported—it cannot be done, and to speak of it as practicable is simply absurd.

Mr. Mackenzie, you will observe, said that when the railway reaches Lac des Mille Lacs (Port Savanne) it will touch " the best navigable system" in that country. This is an inexplicable statement to fall from Mr. Mackenzie's lips. I shall not impute intentional mis-statement to our Prime Minister, but will assume (what is scarcely less unpardonable because equally misleading) that Mr. Mackenzie omitted to inform himself about the country

which was the subject of debate on the 21st of February. His speech shows that while he professed to describe it with minuteness he was altogether unacquainted with its principal geographical features.

Instead of speaking of Lac des Mille Lacs as part of the "best navigable system," broken only by "a few short portages," Mr. Mackenzie, to have been accurate, should have described it as a Lake on the top of a hill, four hundred and thirty feet above the "navigable system" which he proposed to utilize.

Mr. Mackenzie seems to regard this route as only temporary, for he proceeds to say:—" Those who choose to look at the map will observe that " the first line, which we hoped to take, went almost in a straight line from " Kaministiquia Bridge to a place called called Sturgeon Falls, this being at " the head of a long arm of Rainy Lake, stretching north-eastward. That " route was found not to be impracticable, but expensive. The line, as the " hon. gentleman says, was carried further to the northward, but two-thirds of " that country, perhaps, consists of water, and, in the vicinity of Rainy Lake, " the country, to the north in particular, is intersected by deep, wide channels, " which reach either the exact vicinity of the railway, or very near it, between " Rat Portage, the crossing of the Winnipeg River, and the end of the eastern " contract, a distance of one hundred and eighty miles—what we may call the " Central District of that region. *No matter with what speed the road may be " prosecuted, that part cannot be completed within four or five years ; and in the " meantime, if this Lock is finished, as I am informed it will be, during the coming " season, we will be able to send out steamers to Rat Portage and to the eastern " end of Rainy Lake during the season after next, and from that point to Lac des " Mille Lacs is a comparatively short distance, so that in a few years we will be " able to avail ourselves of these most magnificent water stretches connecting the " two points which the railway would touch—east and west.* The policy of the " Government from the first was to have the railway completed as straight as " possible, *and in the meantime to utilize any portion of the water communi- " cations which would connect the two points that ought to be reached by railway " —years before they could actually be connected by rail. This is the cause why " it is of the utmost service to the Government in the construction of the railway " to have the means of passing through these waters in the way I have indicated, " especially with regard to the very heavy and cumbrous carriage of rails and " materials of that kind, which are to be taken either from the west or the east.* " The cost of the carriage of rails from Duluth to Red River is Fifteen " Dollars per ton, three times the amount of the cost of transporting them " from Montreal to Duluth. If the railway is finished to Lac des Mille Lacs, " and if the Government, when that time may come, should be directly " interested in carrying the other contract over the intermediate space to " which I have referred, *we expect we could carry the rails at one half the " present cost in consequence of the completion of that undertaking, as the tran- " shipment would be very difficult and expensive over the small portages, and " particularly at Fort Francis, while I believe that to take the materials from " Red River eastwards would entail still more formidable expenditure.* I make

" these brief explanations in order that hon. gentlemen may see that we have at " all events reasons which were satisfactory to the Department and to the Gov " ernment for inducing us to come to the conclusion to prosecute this " work."

Mr. Mackenzie thus clearly announced it to be the intention of the Govrnment to open unbroken navigation for steamers from Port Savanne (the railway station for Lac des Mille Lacs) to Rat Portage, on the Winnipeg River. He promised also to have it completed "in a few years," and "years before" the railway is finished between the points named. Can Mr. Mackenzie have been aware of the magnitude of the undertaking to which he committed himself?

Is it possible that he did not know that to connect Rainy Lake with Lac des Mille Lacs for the purposes of navigation, 400 feet, perpendicular, have to be overcome? Did Mr. Mackenzie know that the work he spoke of accomplishing in a "few years" and "years before" the railway is completed between Port Savanne and Keewatin (Rat Portage) involved the construction of canals through seven miles or more of rock and the building of forty locks, each of ten feet lift?

When declaring it to be the policy of the Government to carry out this stupendous undertaking, surely it was Mr. Mackenzie's duty to tell the country how many millions it would cost to construct the canals and the forty locks required to enable "steamers" from Rainy Lake to ascend 400 feet to the top of the hill whereon Lac des Mille Lacs reposes.

When the section of the Pacific Railway between Lake Superior and the Red River is finished the proposed system of navigation, if it should then exist, would be superseded by the Railway; and the tolls from traffic upon it would not, at any time, pay the wages of the keepers of its forty locks. Indeed, Mr. Mackenzie seemed to regard it only as auxiliary to the building of a section of the Railway, a means for transporting the heavy materials,—in short, to serve in the construction of the Railway as temporary works are made to serve in the erection of bridges and important buildings.

The Pacific Railway, even if constructed in the most judicious and economical manner, is a truly formidable undertaking for Canada; but if it should be necessary, as auxiliary to its construction, to open up a system of artificial navigation so stupendous as that between Rainy Lake and Lac des Mille Lacs would be—carried out to correspond with the Fort Francis Locks,—then it is manifest that the construction of the Railway, even of the Lake Superior section, must be left to future generations. Mr. Mackenzie's project of navigation-improvement, in addition to the Railway through the wilderness, between Lake Superior and the Red River, is of course out of the question; and when the facts connected with it are understood, the project—if ever entertained—must be abandoned.

When, on the 21st February last, Mr. Mackenzie announced that the Government intended to adhere to the policy of utilizing for years the

"water stretches" between Port Savanne and Rat Portage, did he know that in consequence of the Government having sanctioned the northern—the actual—location of the Railway, the utilization of the water stretches had been rendered impossible except by an expenditure for Canals and Locks which, I am sure, Mr. Mackenzie would not advise? Mr. Mackenzie seems not to have been aware of this fact on the 21st February. His speech throughout shows that he was at that time unacquainted with the topography of the country. Mr. Mackenzie spoke of the Fort Francis Portage as being the "only one great obstacle" to navigation between Lac des Mille Lacs and Keewatin (Rat Portage) on the Winnipeg River, and referred to the "few short portages" between Lac des Mille Lacs and Rainy Lake as trifling obstacles to be easily overcome—while, in point of fact, Fort Francis Portage compared with some of the others is an insignificant obstacle. At the latter point the fall is only 22 feet, while at Brulé Portage, French Portage, Pine and Deux Rivières Portages, the portage between Nequaquon and Nameukan Lakes, the falls respectively are, 47, 99, 124 and 72 feet; and, as I have before stated, the total fall from Lac des Mille Lacs to Rainy Lake is four hundred (400) feet. (See table on next page.) Had the Railway been located so as to touch the waters of Rainy Lake at Sturgeon Falls the "water stretches" from that point to the north-west angle of the Lake of the Woods, a distance of 177 miles, or to Keewatin (Rat Portage), about 200 miles, could have been utilized, and the construction of what Mr. Mackenzie calls the "Central District" of the Lake Superior section of the Railway (180 miles) might have been postponed for very many years. But, located where it is, the water stretches cannot be taken advantage of, and the two end sections of the Railway which are now being constructed will be utterly useless for business until they are connected by the Central section—until the all-rail-line from Lake Superior to the Red River is completed. The continued prosecution of the works at Fort Francis after the necessity for them had ceased, in consequence of that point being no longer on the line of through communication, goes to establish that Mr. Mackenzie was not aware that he had *shunted* the Railway a long distance aside from the water stretches, and had thereby defeated his own scheme—their utilization. I submit that I have put the only construction upon Mr. Mackenzie's speech of 21st February that is consistent with its having been spoken in good faith.*

I think I have proved by Mr. Mackenzie's own words that at the time he sanctioned the location of the Railway he did not know the full consequences to the country of his decision. What is to be said of an Administration that decided a matter of such importance without the fullest comprehension of everything relating to it? Does not the action of the

* The extent to which Mr. Mackenzie's speech on the Railway and "water stretches" was calculated to mislead the general public is exemplified in the fact that it seems to have misled even the *Globe* newspaper. All the inaccuracies of the speech were reproduced and endorsed in a leading article in the *Globe* of 7th May last, entitled "Fort Francis Lock."

Government in this case help to explain how works like the Fort Francis Lock, the Georgian Bay Branch Railway and the Steel Rail speculation, were entered upon apparently from mere impulse, without the deliberation which the public interests demanded, and without policy, plan, survey, or estimate?

D. L. M.

TABLE OF DISTANCES AND LEVELS BETWEEN LAC DES MILLE LACS, (PORT SAVANNE) AND LAKE OF THE WOODS.

Compiled from the reports of S. J. Dawson, Esq., C. E.

PORTAGES AND RAPIDS.	LAND CARRIAGE. Miles.	LAND CARRIAGE. Chains.	Difference in Level in feet.	NAVIGABLE WATERS.	Miles of Navigation.
				Savanne River and Lac des Mille Lacs	42
				Baril Portage	8½
Baril Portage		16	*Rise 1.86	Baril Lake	12
Brulé Portage		21	Fall 47.02	Windegoostegoon Lakes	
Descent in Windegoostegoon Lakelets and stream	......	......	" 9.50		
French Portage	1	60	" 99.71	Little French Lake and Kaogassikok Lake	15
Pine and Deux Rivière Portages	2		" 124.12	Sturgeon Lake and River	27
Island Portage and Fall, Sturgeon River		13	" 10.06 " 32.50	Nequaquon Lake	17
Portage between Nequaquon Lake and Nemeukan Lake.	2		" 72.00	Nemeukan Lake	10
Bare Portage		11	" 8.55	Rainy Lake and River	46
Fort Francis		10	" 22.88	Rainy River and Lake of the Woods	120
Manitou Rapids	......	......	" 2.50		
Long Rapid	......	......	" 4.00	Land Carriage	6½
Total	6	51	432.84 * Off 1.86	Total Miles	304
Difference of Level between Lac des Mille Lacs and north-west angle of Lake of the Woods feet			**430.98**	Distance from North-west Angle to Keewatin about **30** Miles.	

SPEECH

ON THE INCREASED PUBLIC EXPENDITURE.—DELIVERED IN THE SENATE, OTTAWA, ON MONDAY, APRIL 16TH, 1877.

In pursuance of notice given by me, I beg to call attention to the increased public expenditure of the Dominion, especially that portion of it which is largely within the control of the Administration, and to inquire of the Government how it is proposed to restore the equilibrium between income and expenditure? When I brought this matter before the Senate early in the session, I intended that that should be the only occasion this session on which I would trespass on the patience of the House on this subject. But as my statements were received with a simple denial of their correctness by the Government, and the friends of the Government, I felt called upon to go more thoroughly into the question of public expenditure than I had previously done —not to satisfy myself of the correctness of the figures I had produced, for I had done that before, but to bring conclusive proof of their accuracy before the Senate.

But before entering on that branch of my subject, I shall say a few words upon a very important matter connected with our finances; and if the statement to which I am about to refer can be substantiated it will be gratifying to me, and I am sure to the House also. The statement to which I refer will be found in the speech of the Prime Minister, delivered on the Budget, on the 20th February, 1877, on page 176 of the *Hansard* of the House of Commons. It is as follows:

"I have shown that when they (the late Government) left office the ex-
" penditure was at Twenty-four Million Dollars. When they entered office,
" the expenditure stood at Thirteen Million Dollars, and in the course of six
" years they increased the expenditure by Eleven Million Dollars. We have
" been in office three years, and have decreased the expenditure by One
" Million and a Half Dollars. That is the difference between the two
" Governments. We have, moreover, made the most ample provision to
" have all the public wants attended to. We have erected public
" buildings in different places, the buildings at Montreal, Toronto, and
" in this city having been almost entirely constructed during that period;
" and, further, we have effected the reduction of the estimates which were
" left us when the hon. gentlemen opposite resigned office. This is a true
" statement. Any one who chooses to examine the Public Accounts will
" see for himself the real state of affairs."

31

I did examine the Public Accounts, and did not find Mr. Mackenzie's statement borne out by them; but, on the contrary, discovered several inaccuracies in it. The first is, that the public expenditure in 1873 was Twenty-four Million Dollars, whereas it was only Twenty-three Millions, Three Hundred and Sixteen Thousand Three Hundred and Sixteen Dollars. The late Government left office on the 7th November, 1873, so that the present Government had the administration of affairs, as nearly as possible, for two-thirds of that financial year, and their predecessors for one-third. It would have been but fair if the Premier, also, in making his statement, had explained this. It would have been but fair to have compared the expenditure of the year preceding the last year of the late Government's incumbency of office, 1872-1873, with the year the hon. gentleman referred to—1868. If he had done this, the expenditure for the year ending the 30th June, 1873, would have been found to be Nineteen Million One Hundred and Seventy-four Thousand Six Hundred and Forty-seven Dollars, and for the year ending the 30th June, 1868, Thirteen Million Four Hundred and Eighty-six Thousand and Ninety-two Dollars—the difference between them being Five Million Six Hundred and Eighty-eight Thousand Five Hundred and Fifty-five Dollars. But even taking the next year—the year which he did take, and which I think was straining the comparison very far—there was a great inaccuracy, considering the lips from which it fell. For the year ending the 30th June, 1874, the expenditure was Twenty-three Million Three Hundred and Sixteen Thousand Three Hundred and Sixteen Dollars—being a difference between the expenditure of that year and of the year ending the 30th June, 1868, of Nine Millions Eight Hundred and Thirty Thousand Two Hundred and Twenty-four Dollars, instead of Eleven Millions Dollars, as the Premier had stated—an error of One Million One Hundred and Seventy Thousand Dollars. This was a very important inaccuracy in dealing with figures in a matter of this kind. It is true, we have of late got into the habit of dealing with large sums, but the hon. gentleman, in making a statement as the basis of an argument against his predecessors, ought to have been as nearly as possible accurate. The statement of the Premier was, therefore, unfair and unjust to his predecessors, and calculated also to mislead the country. The other inaccuracy in the statement of the Prime Minister was, that his Government, during the three years they had been in office, had reduced the expenditure by a Million and a Half of Dollars, and the hon. gentleman has referred to the Public Accounts, alleging that they sustain that statement.

I have referred to the Public Accounts also, but they do not support the statement of the Prime Minister; on the contrary, the Public Accounts show that the expenditure has increased year by year since his accession to office. The expenditure of 1876 was larger than that of 1875.*

In referring to the public expenditure the Premier ought to have been accurate. Such mis-statements as I am calling attention to led the people of the country to believe they were better off than they really are; and that was not a worthy or proper thing for a Government to do. I hope the statement can be explained, for I can not doubt the errors were unintentional. In referring to the expenditure of previous years, especially of 1868, the Prime Minister should have remembered that Confederation was only in its infancy then, that the foundations of the Dominion had to be laid, and a large abnormal expenditure incurred. The Intercolonial Railway had to be undertaken and large amounts to be expended in the various Provinces. All this was

* The estimates for 1878 are larger than those for 1877. I can discover no facts in the past or present to support the statement of the Prime Minister.

perfectly indispensable. If the statement of the Prime Minister meant anything at all, he meant it to be understood that the burdens of the people had been reduced by his Government, in the three years they had been in office, by the sum of a Million and a Half of Dollars; and yet this is not possible, for the estimates for next year are larger even than those for last year. It would not be worthy of the Prime Minister to say that he only meant that the expenditure from revenue upon the construction of certain public works was diminishing. Notwithstanding any reduction that might be made in expenditure upon Public Works from revenue, the interest upon the increasing expenditure from capital would still maintain the expenditure of the country, out of income, at its former or at a higher point.

It would not be fair to the country to represent a mere transfer from one account to another as a real diminution of the burdens of the people, and unless the statement of the Prime Minister meant that there had been a positive diminution, it was misleading—not intentionally so, I feel sure, but necessarily misleading. So soon as the construction of certain buildings was finished, as a matter of course, the expenditure on them would stop, and unless other buildings or works, to be paid for out of revenue, were commenced, the expenditure under that head must decrease; but it does not follow that an absolute reduction of the public expenditure would be the result. There might be a reduction under one head and an increase under another, a mere transfer from one column to another; and I fear that that is the case at present. The Government has been engaged in the construction of public works, all very desirable of their kind, but in course of time they become finished, and unless the Government enter upon similar expenditures elsewhere, the outlay under that head must decrease; but they are going on with a very large expenditure from capital, and the interest upon that is charged to the Consolidated Revenue Fund; therefore, the gross expenditure of the country from income does not decrease, and I am afraid will increase very rapidly. The Prime Minister should remember that the Railway now building between the head of Lake Superior and the Red River would cost not less than Twenty Millions of Dollars; the interest on that would be One Million a year in round figures, to say nothing of a heavy loss from working the railway.

It had been asserted very confidently by the present Government that they had been committed by their predecessors to the large expenditure from revenue which was being carried on increasingly, and therefore that it was not within their control. I believe the contrary is susceptible of proof, and I will endeavor to throw some light on that subject. To do this I must take a retrospect of the financial affairs of the Dominion since 1870. It will be attended with some pleasure to review the prosperity the country enjoyed from 1870 to 1874, even if by contrast it make the present gloom seem darker than it otherwise would appear. I will first refer to the Budget speech of Sir Francis Hincks, delivered on the 7th April, 1870. Sir Francis said:

" I believe the country is in a state of prosperity, perfectly able to meet " all its obligations, and there is no cause of complaint of excessive taxation." Sir Francis then proceeded to speak of the debt, per head, of the population: " I find, sir, if we take Great Britain, that the debt of that country is about " One Hundred and Thirty-five Dollars per head of the population. The " debt of the United States is about Sixty Dollars per head. I may here " observe that although the ratio of debt is lower in the case of the United " States than that of Great Britain, it would be unfair to estimate the burdens " of the people according to the same ratio, for it is perfectly well known that " the debt of England carries a very small rate of interest, while the debt of

" the United States carries a large rate. Now, sir, while the debt of those " countries is what I have stated, the debt of Canada is about Twenty-two " Dollars and Fifty Cents per head of the population. Then, again, taxation " in Great Britain is at the rate of Ten Dollars per head, and in the United " States Nine Dollars and Twenty-five Cents, while in Canada it is only about " Three Dollars and Fifty Cents. I do not think, bearing these figures in " mind, that we need be afraid of any slight increase of taxation which it may " be necessary to impose upon the people, that there shall not be the least " cause to apprehend deficits in the future."

Sir Francis proceeded to say the surplus on the transactions of the year ending June 30th, 1870, would be about One Million Dollars; yet, notwithstanding the sound state in which the finances of the country then were, Sir Francis considered it prudent to increase the tariff five per cent. on the duty of fifteen per cent. I will next refer to the budget speech of Sir Francis Hincks in 1871. In that year the finances of the country were in an exceedingly satisfactory condition. Sir Francis had estimated the surplus at One Million Eight Hundred and Ninety-two Thousand Dollars; it actually amounted to Three Millions Seven Hundred and Twelve Thousand Four Hundred and Seventy-nine Dollars, for the financial year ending June 30th, 1871. I will also read the opinion of Sir Alexander Galt,—who was then not a supporter of the Administration, and who, while he made the following remarks, attacked several points of the Finance Minister's policy:—" With a " redundant revenue, and abundant means, and low taxation, nothing but " ordinary prudence and economy were necessary to insure the future pro- " gress of the country."

On the same occasion Mr. Cartwright pointed out that people when in easy circumstances were very apt to make engagements which they would not otherwise make, and maintained there was great danger in such a course, and said: " A very considerable portion of our future surplus would be taken up for " interest on the cost of the Intercolonial Railway, which he thought would " probably cost much more than was estimated. For all these reasons he " considered it a fit and proper time to warn the Government and the coun- " try of the possible results of the course they were now pursuing."

As early as 1871 the present Finance Minister foresaw the difficulties which have since overtaken us. He was among the first to predict the crisis, and he called attention to it every succeeding session until he became Finance Minister himself, when he seemed to regard but lightly the danger he had warned his predecessors against. Such was the state of the revenue that year (1871) that Sir Francis modified the tariff by taking off the five per cent. imposed the previous session; and, although he did not wish it and it was not a part of his policy, the duties upon agricultural products and coal were also taken off. At that time there was nothing said about the equilibrium between revenue and expenditure, the revenue greatly exceeding the expenditure.

I now come to Sir Francis Hincks' Budget speech of 1872. Notwithstanding the repeal of the duties imposed in 1870, involving a loss to the revenue of Eight Hundred Thousand Dollars, there was a surplus of Three Million Seven Hundred and Twelve Thousand Four Hundred and Seventy-nine Dollars for the year ending the 30th June, 1871. For the year ending 30th June, 1872, the surplus was estimated at Three Million One Hundred and Fifteen Thousand Four Hundred and Sixty-five Dollars; the actual surplus was Three Million One Hundred and Twenty-five Thousand Three Hundred and Forty-five Dollars. Sir Francis Hincks estimated the surplus for the year ending 30th June, 1873, at One Million Dollars; the actual surplus was

One Million Six Hundred and Thirty-eight Thousand Eight Hundred and Twenty-two Dollars. Those were unquestionably years of plenty; and it was at that time, and under the circumstances I describe, that the late Government recommended the construction of certain public works, such as piers, harbours, light-houses, marine-hospitals, custom-houses, post-offices, &c., to be paid for out of the surplus revenue. It will be admitted that the state of the revenue in those years was such as to justify this expenditure.

I now come to the budget speech of Mr. Tilley, which contained a very interesting *resumé* of the financial history of the Dominion. The duties on tea and coffee had been repealed in 1872, and the loss to the revenue from that source was One Million Two Hundred Thousand Dollars. Notwithstanding that, the surplus for the year ending the 30th June, 1873, was One Million Six Hundred and Thirty-eight Thousand Eight Hundred and Twenty-two Dollars. There was no additional taxation proposed that year. During the session of 1873 there were enactments passed which increased the expenditure of the country very considerably, and which it would not be fair to lay at the door of the present Government. These were increased subsidies to the Provinces resulting from the readjustment of the Provincial debts; expenses connected with the admission of Prince Edward Island to the Union, and increased salaries to the Civil servants. These, altogether, as estimated by Mr. Cartwright in his Budget speech of 1874, imposed on the country an additional burden of One Million Five Hundred Thousand Dollars. Mr. Tilley's estimates for that year, as introduced, amounted to Twenty Millions Nine Hundred and Forty-one Thousand One Hundred and Eighty-three Dollars. Then the legislation to which I have just referred was passed, and the expenditure for the year, under Acts of Parliament and by supplementary estimates, was authorized to be increased (according to Mr. Tilley) by the sum of One Million Five Hundred and Forty-two Thousand Dollars, makng the total estimates for that year Twenty-two Millions Four Hundred and Eighty-three Thousand One Hundred and Eighty-three Dollars. The Senate will thus see that the Government of that day provided for the additional expenditure ordered by Parliament in the session of 1873. Mr. Tilley evidently supposed he was making ample provision for all the requirements of the year ending 30th June, 1874, including the increased statutory expenditure passed in the session of 1873. The late Government went out of office on the 7th November, and Mr. Tilley was succeeded by the present Finance Minister. Mr. Cartwright, in his Budget speech of 1874, took a very gloomy view of the affairs and prospects of the country, and his speech was replete with words of warning; but instead of decreasing the expenditure, as would have been reasonable and prudent, he increased it very largely. That was the first error, and a very grievous error it was, on the part of the Administration. They saw the impending crisis—it was then to some extent upon us—but they went on increasing the expenditure very largely. The Finance Minister had been warning the country; he had put up storm signals in all directions for his predecessors; but, notwithstanding all, he did not act upon the opinions he professed, and did not take the precautions which a prudent Minister should have adopted under the circumstances. The statutory increases were referred to by Mr. Tilley; and honourable gentlemen will also observe that Mr. Tilley and Mr. Cartwright, the Finance Ministers of the late and present Administrations, agreed substantially as to the amount of the statutory increase of expenditure in the session of 1873. This is very important. Mr. Tilley is reported to have said that, "notwithstanding the additional "charges imposed upon the revenue of the present year (1873), the surplus

" would reach Seven Hundred Thousand Dollars. The surplus next year he " estimated at Nine Hundred and Thirteen Thousand Dollars; but the " supplementary estimates and propositions before the House would require " One Million Five Hundred and Forty-two Thousand Dollars, which would " leave a deficiency of about Six Hundred and Twenty-eight Thousand " Dollars. But owing to the surplus in the present year no deficiency would " arise." That was the state in which Mr. Tilley left the finances of the country. The revenue balanced the expenditure, and he indicated clearly that there would be no deficit. But the moment the new Government came into office they appear to have largely increased the expenditure. In the following year Mr. Cartwright included Two Millions Four Hundred Thousand Two Hundred and Eighty-six Dollars in the schedule "A" of his Supply Bill. That might be called the Supplementary Supply Bill. Whoever was in the habit of looking at Supply Bills would be aware that they consisted of two schedules—"A" and "B," the former consisting of items for the current financial year which had not been voted in the preceding session. A schedule "A" was found in every Supply Bill, but there was no schedule "A" to compare in amount with that of 1874, Mr. Cartwright's first Supply Bill. In 1873 schedule "A" was Seven Hundred and Ninety-two Thousand Eight Hundred and Sixty-four Dollars, but in 1874 it was Two Millions Four Hundred Thousand Two Hundred and Eighty-six Dollars.

Hon. Mr. Scott—To make up Mr. Tilley's deficiency.

Hon. Mr. Macpherson—Mr. Tilley left no deficiency. Of this Two Millions Four Hundred Thousand Two Hundred and Eighty-six Dollars the sum of Four Hundred and Twenty-five Thousand Dollars was on capital account, so that the items in schedule "A," charged against the revenue, amounted in round numbers to Two Millions. The Government desiring, apparently, and not unnaturally, to proceed with extensive works chargeable to income, wanted additional revenue and a larger surplus. To obtain these the Minister of Finance increased the tariff from fifteen per cent. to seventeen and a half per cent., and in other respects made additions to taxation, which he estimated would add Three Millions of Dollars to the revenue. He may have been sanguine enough to hope that his additions would yield even a larger sum, probably Four Millions of Dollars; at all events he counted upon an increased revenue of Three Millions of Dollars, and upon that basis the Government appear to have pitched their scale of public expenditure. Hon. gentlemen know how disappointing the result had been. The new taxes, instead of coming up to the estimate of Three Millions, yielded only One Million Seven Hundred Thousand Dollars, not enough to meet the expenditure. It was then that the difficulties of the country began. It was then that the deficit commenced, which at the end of the last financial year—30th of June last—amounted to Two Million Dollars, and is still increasing.

The Minister of Finance, in his Budget Speech of 1874, laid the responsibility of the expenditure upon his predecessors, but I do not think the facts warranted his doing so. The expenditure from revenue under the control of an Administration pledged to retrenchment and economy, as the new Government was, and supported by an enormous majority, should have been retrenched. Some of the works might have been stopped, the expenditure upon others reduced, and a deficit avoided. But the Minister of Finance and the Prime Minister thought it best to proceed with the works in progress and also with new works, and so increase the expenditure as to produce the difficulties that now pressed upon the country. While doing this they endeavored to fasten the responsibility of their policy upon their predecessors. The present

Government would have been at a great loss if they had not had predecessors. Everything done which should not have been done, and everything left undone which should have been done, they charged against those predecessors. When I hear the utterances of honorable gentlemen opposite, and read the speeches delivered in another place, I often wonder what would have been the result if those gentlemen had not had predecessors in office, or if they had been in office when Confederation was undertaken.

But I need not speculate on the subject. Confederation, in that case, would never have been carried out. Mr. Cartwright's estimate of the revenue for 1874 was Twenty-five Millions; it yielded only Twenty-four Millions, Six Hundred and Forty-eight Thousand, Seven Hundred and Fifteen Dollars, leaving a deficiency as compared with the estimate—the first since Confederation—of Three Hundred and Fifty One Thousand Dollars. Now, what the Finance Minister should have done—because he could not plead ignorance of the state of the country—was to diminish the expenditure. The expenditure upon a great many works could have been stopped, and the expenditure upon others diminished; and above all, new works should not have been commenced. I propose to show that a great many new and costly works were undertaken by the present Administration which were not thought of by their predecessors in 1873. But before doing so, I will quote from Sir John Rose's Budget Speech in 1869, to show what had been done by the late Administration when they were threatened with a deficit. Sir John Rose said:—

"When the Government found the revenue was falling short, that "it did not come up to anticipation, that the receipts of one month "after another were below those of the corresponding month of the previous "year, they certainly felt that a very serious and difficult task might be entailed "upon them; for I believe, if there is any sentiment stronger than another in "the minds of the people in this country, as represented not only by support- "ers of the Government, but by honourable gentlemen on that side, it *is that "we shall not permit any deficits to arise*, but if the ordinary revenue falls short "of the expenditure, we must manfully look the difficulty in the face, and be "prepared, by exceptional taxation, if need be, to supplement the deficiency. "We cannot but feel it to be one of our first duties *so to equalize the revenue "and expenditure that our credit abroad shall not be injured by its being supposed "that we are willing to allow deficiencies to arise*, without being ready to im- "pose upon ourselves a sufficient burden to meet them. * * * The "present Government would, however, be very recreant to its duty, if, strong "in the majority in this House, and strong, I believe, in the confidence which "the country reposes in us, we should permit it to go abroad that we would "allow a deficit to arise in any year, without being prepared for that year to "submit to the House such further measures of taxation, exceptional and "special, if need be, as would enable us to supply the void. I make these "remarks in order to show the House what were the considerations which "necessarily forced themselves on the attention of the Government, and the "conclusion to which they were driven, that any real deficiency must be sup- "plemented by fresh sources of revenue. They believed, indeed, that, no "matter who occupied the position, any body of men enjoying the confidence "of the people of this country would be prepared to propose such measures, "in the belief that they would be sustained by the House and the country. "But, while entertaining these views, the Government of course felt it their "duty to exhaust every means by which a deficiency could be avoided. They "saw month by month that the revenue was falling short, that there had been "excessive importations in previous years, and that these were being followed "by a corresponding contraction; and they felt it to be their duty, from the

"outset, at all events to try whether by practising the most rigid economy it "was not possible to avoid the threatened deficit. The House will remember "the votes which were placed at the disposal of the Government last year; "and the results which are to be found in the statement I have just placed in "the hands of honorable members will show, I think, that wherever it was "possible to practise economy, wherever it was possible, without undue "damage to the public interest, to forego the performance of a service for "which provision had been made in the votes for the year, the Government "have endeavoured to do it. We contracted no new obligations—we entered "upon no new works—we did exactly as any individual would do who saw "that his income was falling short—we took stock, and determined that while "the public service should be efficiently performed, *we would not incur any "new obligations with respect to public works which might be very much needed "and very desirable, but which, at all events, it was not for the interest of the "country to undertake at a moment when the actual revenue would not enable us "to provide for them.* It will be found by reference to that statement that in "every one of the items which were voted to us last year there is a saving in "the actual expenditure, as compared with the estimate—except only in the "interest on the public debt, which is augmented by reason of our having "borrowed half of the Intercolonial loan. On every one of the other items of "expenditure there is a saving on the charges of management of the public "debt—premium and discount, civil government, administration of justice, "police, penitentiaries, legislation, marine hospital and mariners' fund, militia "and enrolled force, arts, agriculture and statistics, public works, ocean and "river steam service, light-houses and coast service. So, too, with the item of "fisheries, miscellaneous, collection of revenue, etc.; and the result is, that by "the exercise of economy—by forbearing to undertake new works, by cutting "down expenditure wherever we could cut it down—we show a balance in "favour of the year's operations of Two Hundred and Seventy Four Thousand, "and Thirty-one Dollars. (Hear, hear, and cheers.) Now, Sir, I wish to state that "in arriving at this result, while exaggerating nothing, we have concealed "nothing. There has been no manipulation of accounts, no postponement of "payments."

Sir John Rose saw the danger, and exercised the influence which a gentleman charged with the finances and credit of the country should possess with his colleagues, and the result was, instead of a deficit, a surplus. The course pursued by the present Finance Minister seemed to have been the very opposite. It was surprising that a gentleman with so much force of character as the present Finance Minister should have failed to impress on his colleagues his views and opinions of the depression impending when they succeeded to office. I can only account for it by supposing that the Finance Minister took a more sanguine view of the revenue, after he had increased the taxation, than was justified by the result. No doubt he had a great deal to contend with. His colleagues desired to have handsome amounts placed at the disposal of their departments for expenditure. The Finance Minister had remarked in his Budget speech of 1874:—

"I am aware that some of my honourable friends think this enormous out-"lay need not be gone on with; but I desire to say that these public works "that are in process of construction must be completed in a short time. I "see no purpose to be served by 'cooking' our estimates and apparently re-"ducing the amount chargeable this year in order that it may be swollen the "next. My honourable friend (the Minister of Public Works) has preferred "—and I think he was perfectly right in so doing—to bring down those esti-"mates, to show the obligation placed on him by the action of the late

"Government. * * * I must again repeat that it would be in the last "degree unjust to my hon. friend the Minister of Public Works to hold him "responsible for this state of things, or to ask him to stop works already com- "menced, and to put a reduced sum in the estimates; but when the works "now engaged in are completed, which I expect will be the case in eighteen "months, a considerable saving will be effected in the annual expenditure, "though for this a considerable period of time is necessarily required."

Could there be anything more unbusiness-like or absurd? Suppose a private individual entered upon some improvement of his property, under the impression that his income would enable him to complete it, but in a short time he found that his income was falling off, would he be wise to incur a debt to carry out his plans? Could anything be more imprudent? What is the use of a change of Government unless there can be a change of policy, unless to retrench and economise when necessary? Engagements had been entered into by the late Government of a nature which could be suspended at any moment, yet they were proceeded with by the present Government recklessly, without any regard to the fact that the revenue upon which their execution depended was falling short month by month. Mr. Cartwright found the taxation which he had imposed yielded only One Million, Seven Hundred Thousand Dollars, instead of the Three Millions which he had anticipated; but instead of decreasing expenditure he increased it, throwing all the responsibility on the shoulders of the late Administration. The present Government seems to be perfectly helpless. The only reform, or rather financial change, which they gave to the country was to increase taxation and to change surpluses into deficits. From Confederation to the time of the change of Government in 1873, the amount of Eleven Millions One Hundred and Sixty Thousand Eight Hundred and Forty-four Dollars was expended out of surplus revenue in the construction of public works chargeable to capital. An Administration with such a flowing revenue was surely justified in undertaking public works and paying for them out of the revenue; but when the present Finance Minister anticipated a deficit, and stated so in his Budget speech, there was no excuse for continuing to expend money as lavishly as in the years of plenty. The Government has placed this country in an unfortunate position by the course it has pursued. There is a large deficit, and we are now paying the interest of our debt with borrowed money. A more unsound and perilous condition for any country to be placed in it is impossible to conceive. The taxation of the country has been seriously increased, yet the expenditure has been increased in a still greater ratio. In the Budget speech of 1876, Mr. Cartwright was still hopeful, as he had been from his accession to office—but less sanguine, on the whole; the hues are not exactly roseate, but they are still hopeful. Mr. Cartwright began then to excuse the present Government for not having retrenched, as they were pledged to do. He had to acknowledge the existence of a large deficit, but still blamed the late Government. In his Budget speech the Finance Minister estimated the revenue for the current year (1877) at Twenty-three Millions, Two Hundred and Fifty Thousand Dollars, and the expenditure at something less. It is usual, as the House is aware, for the Finance Minister, in his Budget speech, to revise the estimates of the preceding session, but Mr. Cartwright omitted to do this in his speech of February, 1877, though between seven and eight months of the current fiscal year had then elapsed. Parliament was, therefore, left in ignorance of his revised estimate of the revenue and expenditure, of whether in his opinion there was to be a deficit or a surplus at the end of the current financial year. The want of the official revised statement is a serious want, and, in fact, it is impossible to complete comparisons without it. I have obtained statements of the revenue up to the 10th of February, for the years 1876 and 1877. The revenue up to

the 10th of February, 1876, was Twelve Millions, Eight Hundred and Twenty Thousand, Eight Hundred and Seventy-five Dollars, and for the same period of the current year it was only Twelve Millions, Four Hundred and Ninety-four Thousand, Two Hundred and Seventy-nine Dollars, showing a falling off, as compared with the preceding year, of Three Hundred and Twenty-six Thousand, Five Hundred and Twenty-six Dollars. Mr. Cartwright had estimated the revenue from customs for the current year at Thirteen Millions, Five Hundred Thousand Dollars; up to the 10th of February it had only reached Seven Millions, and Eighty-two Thousand, Two Hundred and Twenty-seven Dollars, which was at a rate of about Eleven Millions, Five Hundred Thousand Dollars for the year, instead of Thirteen Millions, Five Hundred Thousand Dollars. It is quite true that the spring importations are coming in, and the duties upon them will increase the average revenue for the remaining months of the financial year very considerably, but whether they will increase it sufficiently to bring it up to Mr. Cartwright's estimate is very doubtful. Notwithstanding all that has been said about retrenchment and economy, the estimates for the ensuing year show an increase over those of the current year. The estimates for the current year—and that was without supplementary elements—amounted to Twenty-three Millions, Thirty-one Thousand, Six Hundred and Ninety-nine Dollars; for next year they amount to Twenty-three Millions, One Hundred and Sixty-seven Thousand, Six Hundred and Eighty-six Dollars—not a large increase, but they are exclusive of supplementary estimates also, which have yet to be brought down, and which I fear will be very considerable. It is, therefore, probable that we shall have to face a deficit for the ensuing year as well as for the current year. I will now turn to another branch of the subject, and show the extent and manner in which the controllable expenditure has been increased since 1873. I would not have gone into this again this session if it had not been for the way in which the Government and its friends treated the subject when I brought it before the Senate early in the session:—

The hon. Senator opposite (Mr. MacMaster) then said "he thought the "course followed by the hon. gentleman from Toronto (Mr. Macpherson) was "unusual and unfair; that he had taken many members by surprise; and they "could have met several points successfully had proper time been given them "to prepare for the debate. The comparison instituted between 1873, and "1875, and 1876, was entirely unfair and unreasonable. In the first place the "late Government went out of office in November, 1873, and their successors "were acting upon their estimates. He did not want it to be understood he "was either defending or finding fault with any Government, but he liked to see "what was fair. * * With regard to the increased expenditure in the de-"partments, he knew that it was partly due to appointments made by the late "Government. He knew large establishments in which parties were appointed "who had nothing whatever to do, and if they had to work, were utterly "incompetent to do it. * * * * * With regard to the "matters alluded to, if time had been given to go into figures, and make fair "comparison, it would not appear so unfavourable to this Government, as the "honourable gentleman had sought to make the House believe. He con-"curred in the opinion that it was absolutely necessary, in the present state of "the country, for the Government and everyone to be as economical as "possible, but it must be borne in mind the Dominion is pledged to build the "Pacific Railway."

Now, that was a very broad denial of my statement, and the honourable Senator should be in a position to-day to prove what he then said. There has been ample time since then to prepare a reply, if reply be possible.

The honourable Senator, having denied the correctness of my statement, should have taken the earliest opportunity to show wherein it was inaccurate; because, if inaccurate, it should be corrected. It is not desirable that an error in so important a matter should go uncorrected. But my statement contained no error, and no attempt has been made to disprove it. I will show that the denial of its correctness by the honourable Senator was unsupported by facts.

I will now submit a statement of the details of increases of expenditure charged to consolidated revenue fund and largely within the control of the Government of the day, for 1875 and 1876 over 1873, and of 1876 over 1875. In this comparative statement I exclude all items connected with the public debt—interest, management of the debt and sinking fund. I also exclude items that might not be considered fairly within the control of the Administration, such as Militia; and throughout these statements I will compare the last complete year of Sir John Macdonald's Administration, 1873, with Mr. Mackenzie's complete years of 1875 and 1876.

THE FOLLOWING STATEMENT SHOWS THE INCREASES IN EXPENDITURE CHARGED TO CONSOLIDATED REVENUE FUND FOR 1875 AND 1876 OVER 1873, AND FOR 1876 OVER 1875, UNDER THE FOLLOWING HEADS, BEING ITEMS WHICH ARE LARGELY WITHIN THE CONTROL OF THE GOVERNMENT. (PUBLIC DEBT CHARGES NOT INCLUDED)

DEPARTMENTS.	Increase 1875 over 1873.	Increase 1876 over 1875.	Increase 1876 over 1873.
Civil Government	$148,391	......	$ 91,121
Administration of Justice	98,439	$ 46,686	145,025
Police and Penitentiaries	71,682	......	4,968
Legislation	......	54,957	12,743
Geological Survey	29,199	3,226	32,425
Arts, Agriculture, etc	......	47,416	9,488
Immigration and Quarantine	15,402	83,075	98,477
Marine Hospitals	10,871	1,950	12,821
Pensions and Superannuations	38,721	70,874	109,598
Ocean and River Steam Service	......	93,057	90,339
Fisheries and Light-houses	9,881	97,191	75,778
Inspection Insurance Co's. etc	......	8,914	8,032
Subsidies to Provinces	829,362	......	768,956
Public Works	159,462	191,866	351,328
Miscellaneous	18,229	91,537	109,866
Indian Grants and Manitoba Surveys	131,513	108,639	212,549
Mounted Police (established 1874)	333,583	35,935	369,518
Boundary Surveys (begun 1874)	121,741	12,364	134,105
Customs and Excise	142,457	57,441	199,898
Weights and Measures	69,969	29,816	99,785
Public Works, Including Railways	633,388	......	548,312
Post Office	452,995	101,966	554,961
Minor Revenues	.....	3,111	2,778

Increase of **1875** over **1873**............**$2,960,336**
Increase of **1876** over **1875**............ **717,062**
Increase of **1876** over **1873**............ **3,677,398**

This statement shows that the expenditure of 1876 exceeded that of 1873 by the large sum of $3,677,398; that the expenditure of 1875 exceeded that of 1873 by the sum of $2,960,336, while that of 1876 exceeded that of 1875 by the sum of $717,062. These net increases are enormous—I say net increases, because all the decreases have been deducted. But I am not going to hold the Government responsible for the full amount of the increase of 1876 over 1873—$3,677,398—for, as I have already shown, statutory increases of expenditure were made in 1873, and provided for by Mr. Tilley. Mr. Cartwright stated this amount to be about $1,500,000. The increases fairly chargeable against the present Government are as follows:—

Net increase of annual expenditure (largely within the control of the Administration) in 1876 over 1873.		$3,677,398
Less expenditure authorized by statute in session of 1873, viz: Increased subsidies to Provinces; increased allowance to the Civil Service; item on account of expense connected with the admission of Prince Edward Island into the Confederation ($100,000), and other statutory increases: stated by the present Minister of Finance, in his budget speech of 1874, at about $1,500,000	$1,500,000	
I will allow for unforeseen increases from 1873 to 1876, inclusive, say.......................	377,398	1,877,398
Making the increased expenditure upon items largely within the control of the present Administration, in 1876 over 1873		1,800,000
This sum capitalized at 5 per cent. would give Thirty-six Millions of Dollars.		
Increase in 1876 over 1875........................	717,062	
This sum capitalized at 5 per cent. would give Fourteen Millions, Three Hundred and Forty-one Thousand, Two Hundred and Forty Dollars.*		

I am particular in emphasizing the increase of 1876 over 1875, because there can be no question as to which Government is responsible for it. The present Government have a much larger responsibility than they wish to admit for the increased expenditure of the financial year ending 30th June, 1874. I will now call attention to the expenditure on public works in each Province in the same years:—

* Thus the increase by the present Administration in the controllable expenditure between 1876 and 1873 (One Million Eight Hundred Thousand Dollars) is equal to interest at 5 per cent. on Thirty-six Million Dollars; and the annual burden on the people would be no greater, if instead of increasing the expenditure unnecessarily the Government had borrowed Thirty-six Millions of Dollars. Now, a small portion of this sum, if it had been borrowed and judiciously expended, would have done much to promote the prosperity of the country. The very increase of the controllable expenditure of 1876 over 1875—Seven Hundred and Seventeen Thousand and Sixty-two Dollars is the interest at 5 per cent. on Fourteen Millions, Three Hundred and Forty-one Thousand, Two Hundred and Forty Dollars.

PUBLIC WORKS CHARGED TO CONSOLIDATED REVENUE FUND, SHOWING THE EXPENDITURE IN EACH PROVINCE.

WORKS.	1873.	1875.	1876.
ONTARIO.			
Custom Houses, Post Offices, etc.......	$103,133	$204,928	$259,601
Marine Hospitals, Quarantine and Immigration Stations..................	2,012	2,464	2,000
Penitentiaries, Barracks, etc...........	....	....	58,962
Harbours and Piers	209,887	208,486	262,413
Total Ontario..................	$315,032	$415,878	$582,976
QUEBEC.			
Custom Houses, Post Offices..........	$162,975	$146,439	$146,626
Marine Hospitals	11,083	16,767	12,695
Penitentiaries, Barracks, etc..........	....	....	15,359
Harbours and Piers..................	9,684	10,753	28,373
Total Quebec..................	$183,742	$173,959	$203,053
NEW BRUNSWICK.			
Custom Houses....................	$28,392	$83,105	$ 29,324
Marine Hospitals..................	3,674	1,640	....
Penitentiaries......................	....	....	10,860
Harbours and Piers.................	28,000	56,376	92,609
Total New Brunswick	$60,066	$141,121	$132,793
NOVA SCOTIA.			
Custom Houses, etc.................	....	$ 3,330	$ 14,086
Marine Hospitals....................	$11,429	7,178	8,200
Penitentiaries......................	....	....	11,000
Harbours and Piers..................	100,246	123,497	145,965
Total Nova Scotia..............	$111,675	$134,005	$179,251
BRITISH COLUMBIA.			
Custom Houses....................	....	$ 22,347	....
Marine Hospitals	6,614	2,978	....
Penitentiaries......................	....	1,571	78,114
Total British Columbia..........	$6,614	$26,896	$78,114
MANITOBA.			
Custom House, Post Office...........	$ 109	$27,503	$ 40,092
Immigrant Shed.....................	6,742	....	....
Penitentiary, Barracks, etc...........	....	65,072	102,563
Total Manitoba................	$6,851	$92,575	$142,655

PUBLIC WORKS CHARGED TO CONSOLIDATED REVENUE FUND, SHOWING THE EXPENDITURE IN EACH PROVINCE.—(*Continued.*)

WORKS.	1873.	1875.	1876.
PRINCE EDWARD ISLAND.			
Harbours and Piers	....	$5,829	$25,061
Public Buildings	....	....	3,574
GENERAL ITEMS.			
Public Buildings, general account	....	$ 14,773	....
Canals, including surveys and inspection	$143,015	25,006	44,343
Improvements of rivers	18,140	62,737	40,255
Dredging and Dredge Vessels	79,426	195,782	123,100
Telegraphs	9,044	....	4,000
Lighthouse Repairs	12,218	....	....
Slides and Booms	47,621	20,986	25,428
Roads and Bridges	13,651	4,000	....
Red River Route	210,974	176,659	88,298
Arbitration and Awards	9,899	5,258	11,680
Rents, Repairs, and Furniture	134,345	188,324	169,127
Ottawa Buildings	39,808	58,000	63,500
Sundries	195,492	15,287	31,733
Total expenditure on Public Works paid out of Consolidated Fund in **1873**	**$1,597,613**		
Total expenditure on Public Works paid out of Consolidated Fund in **1875**		**$1,757,075**	
Total expenditure on Public Works paid out of Consolidated Fund in **1876**			**$1,948,941**

The following table gives the

EXPENDITURE ON PIERS, HARBOURS AND BREAKWATERS, FOR THE SAME YEARS.

PIERS AND HARBOURS.	1873.	1875.	1876.	Increase 1876 over 1875.	Increase 1876 over 1873.
	$	$	$	$	$
Ontario	209,887	208,486	262,413	53,927	52,526
Quebec	9,684	10,753	28,373	17,620	18,689
New Brunswick	28,000	56,376	92,609	36,233	64,609
Nova Scotia	100,246	123,497	145,965	22,468	45,719
Prince Edward Island	....	....	25,061	....	....
Totals	347,817	399,112	554,421		
Increased Expenditure on Piers, Harbours and Breakwaters in **1876** over **1875**				**$130,248**	
Increase in Expenditure on Piers, Harbours and Breakwaters in **1876** over **1873** (excluding P. E. Island)					**$181,543**

This is not the only expenditure under this head, and I am of opinion many works of the kind have been proceeded with for party rather than public considerations. There are three harbours on Lake Huron very near each other—Goderich, Bayfield, and Chantry Island—on which there has been very large expenditure. On Goderich harbour, in 1876, the enormous sum of One Hundred and Twenty-seven Thousand Dollars was expended, and I am told, very unfortunately expended.

Hon. Mr. SCOTT said the contract was given out by the late Administration.

Hon. Mr. MACPHERSON—I do not care what Administration gave it out, the work was under the supervision of the present Government.

Hon. Mr. CAMPBELL—The contractor's name is McEwen, and he is a friend of the present Administration.

Hon. Mr. MACPHERSON—In addition to Goderich, Forty-one Thousand Six Hundred and Twenty-four Dollars was expended last year on Chantry Island, and Eighteen Thousand Nine Hundred and Thirty-eight Dollars on Bayfield, which was only distant about twelve miles from Goderich.

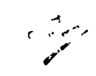
Hon. Mr. SCOTT said Chantry Island as well as Goderich Harbour improvements had been commenced by the late Administration. The contracts were given out the last year they were in office, and the work had been going on ever since.

Hon. Mr. MACPHERSON—It is the expenditure I complain of; and the amount of new expenditures upon works of this class, commenced under the auspices of the present Government, will be seen by the following

STATEMENT OF EXPENDITURE CHARGED TO CONSOLIDATED REVENUE FUND IN 1875 AND 1876, FOR WORKS NOT COMMENCED IN 1874, VIZ:—ON PIERS, HARBOURS, RIVER WORKS, CUSTOM HOUSES, PENITENTIARIES, MARINE HOSPITALS, &c. :—

WORKS.	1875.	1876.
Owen Sound	$ 3,740	$ 5,500
Bayfield	1,917	18,398
Port Stanley	31	4,732
Port Hope	6,945	14,372
Toronto	1,019	2,824
Point du Chene	7,351	7,228
Shippegan	16	6,312
Tignish	2,010	4,557
Souris	5,829	. . . .
Port Albert	6,000	. . . .
Shannonville	2,992	. . . .
Kingston	4,407	. . . .
Picton	6,000	. . . .
Coteau	1,603	. . . .
Bathurst	3,876	. . . .
Tynemouth	2,500	. . . .
Tracadie	6,690	. . . .
Port Medway	4,513	. . . .
Sissiboo	2,500	. . . .
Plympton	1,200	. . . .
Port Darlington	. . . .	5,000
Port Burwell	. . . .	3,422
Oshawa	. . . .	5,000
Carried forward	71,139	77,345

Works.	1875.	1876.
Brought forward	71,139	77,345
Bagotville	....	2,000
Malbie	....	8,000
Eboulements, extension of breakwater	....	7,500
Rivière Blanche	....	873
Baie des Chaleurs	....	3,000
Campobello	....	600
Jordan Bay	5,103	17,465
Trout Cove	....	4,000
Margaree	....	3,000
Harbourville	....	2,000
Broad Cove	....	3,000
Margaretville	....	5,000
Oyster Pond	....	2,000
Michaud and Mark Points	....	97
Cranberry Head	....	2,000
Church Point	....	2,000
Saulierville	....	2,000
New London	....	503
Coville Bay	....	20,000
St. John, N.B., Custom House	3,217	2,081
Montreal	3,426	....
Montreal Examining Warehouse	203	....
Chatham and Newcastle Custom House	1,393	....
London Post Office	3,500	....
Lifting barge, for removing chains, &c	25,000	....
Work Napanee River	....	12,211
Work Detroit River	....	1,346
Increase of General Work on River Improvements over 1874	40,811	18,329
Toronto Immigration Station	475	....
Quebec Marine Hospital	6,008	....
Yarmouth "	6,180	152
Sydney "	157	6,998
St. Catharines "	....	2,000
Levis "	....	2,003
Souris "	....	3,574
Quebec Observatory	1,798	....
Military School, Kingston	....	55,659
Fortifications, Kingston	....	3,303
" Levis	....	15,357
Penitentiary, Kingston	....	3,213
" Maritime Provinces	....	21,860
" Manitoba	....	60,597
" British Columbia	....	78,114
St. Vincent de Paul Penitentiary	....	4,076
Totals	$168,413	$453,256
Add 1875 to 1876		168,413
Gross amount expended in 1875 and 1876, on works not commenced in 1874	....	**$621,669**



There can be no question as to which Government is responsible for this expenditure. The present Government is wholly responsible for it, and it was incurred in disregard of their pledges to retrench.

The following shows the

EXPENDITURE—CHARGED TO CONSOLIDATED REVENUE FUND—FOR HARBOURS, PIERS, BREAKWATERS, CANAL WORKS, RIVER IMPROVEMENTS, SLIDES AND BOOMS, BRIDGES, HOSPITALS, BUILDINGS, ETC., IN 1874, 1875, AND 1876, WHICH WERE NOT COMMENCED IN 1873:—

WORKS.	1874.	1875.	1876.
Napanee	$ 4,999	$......	$......
Belleville	10,000	......	......
Meaford	4,396	......	......
Inverhuron	1,000	......	......
Port Greville	6,000	......	......
Breakwater Joggings	10,000	......	......
Gaberous Bay	2,000	......	......
Ports George and Williams	3,500	5,000	......
Salmon River	5,000	......	......
Chedabucto	5,000	......	......
Green Cove	2,500	......	......
Pictou Island	2,000	......	......
Digby Pier	2,500	......	......
Big Pond, Cape Breton	2,000	......	......
Morden Pier	5,000	......	......
Wilson Beach	1,000	......	......
Dipper Harbour	10,000	......	......
St. John, New Brunswick	3,500	......	......
Hillsboro Pier	1,500	......	......
Tracadie	......	6,690	......
Big Tracadie	6,000	......	......
Port Albert	......	6,000	......
Tynemouth	......	2,500	......
Port Stanley	......	31	4,732
Collingwood	28,932	267	......
Shannonville	......	2,992	......
Picton Harbour	......	6,000	......
Plympton	......	1,200	......
Bathurst	......	3,876	......
Sissiboo River	......	2,500	......
Sackville	......	500	......
Port Medway	......	4,513	......
Souris, Prince Edward Island	......	5,829	......
Cobourg	203	15,861	23,403
Saguenay	6,000	......	2,000
Baie St. Paul	122	......	8,000
Cow Bay	10,000	25,000	46,458
Owen Sound	......	3,740	5,500
Bayfield	......	1,917	18,398
Port Hope	......	6,945	14,372
Carried forward	$133,152	$101,361	$122,863

Works.	1874.	1875.	1876.
Brought forward......	133,152	101,361	122,863
Jordan Bay	......	5,103	17,465
Shippegan	......	16	6,312
Port Burwell	......	......	3,422
Port Darlington	......	......	5,000
Toronto Harbour	......	1,019	2,824
Oshawa	......	......	5,000
Malbaie Pier	......	......	8,000
Eboulements Extensions of Breakwater	......	......	7,500
Riviere Blanche	......	......	873
Point du Chene	......	7,354	7,228
Campobello	......	......	600
Baie des Chaleurs	......	......	3,000
Margaree	......	......	3,000
Bagotville	......	......	2,000
Harbourville	......	......	2,000
Trout Cove	......	......	4,000
Broad Cove	......	......	3,000
Margaretville	......	......	5,000
Oyster Pond	......	......	2,000
Cranberry Head	......	......	2,000
Michaud and Mark Points	......	......	97
Church Point	......	......	2,000
Tignish	......	2,010	4,557
Saulierville	......	......	2,000
Colville Bay	......	......	20,000
New London	......	......	503
Canal Basin, Ottawa	4,443	......	......
Lock, Culbute Rapids	38,388	......	......
River St. John improvements	7,480	......	......
River Detroit	......	200	1,346
Richelieu River	......	21,119	......
Fraser River	......	5,739	......
Napanee River	......	......	12,211
Bridge, Fort Garry	2,967	......	......
Bridge, Portage du Fort	3,547	......	......
Fenelon River	3,090	......	......
Gatineau River	28,716	......	......
Newcastle Dist. Works	1,000	......	......
Petewawa River	7,713	......	......
Telegraph Cable, British Columbia	......	9,044	......
Hamilton Post Office	9,295	......	......
Montreal Custom House	......	3,426	......
Three Rivers	2,552	......	......
St. John, New Brunswick	......	3,217	2,081
Miscellaneous, Prince Edward Island	69,000	......	......
Military School, Kingston	......	......	55,659
Observatory, Quebec	......	1,798	......
Carried forward......	309,343	161,406	313,541

NAMES OF WORKS.	1874.	1875.	1876.
Brought forward......	309,343	161,406	313,541
Marine Hospital, New Brunswick......	7,765	......	......
" Quebec............	......	6,008	......
" Yarmouth..........	......	6,180	......
" Sydney............	......	157	6,995
" St. Catharines......	......	......	2,000
" Levis..............	......	......	2,003
" Souris.............	......	......	3,574
Toronto Immigration Station........	......	475	......
Penitentiary, British Columbia........	136	......	78,114
" Maritime Provinces......	......	......	21,860
" Manitoba..............	......	......	60,597
" St. Vincent du Paul......	......	......	4,076
" Kingston.............	......	......	3,213
Government House, Fort Garry......	8,308	......	......
Barracks, Battle River..............	......	......	8,000
" Fort Pelly..............	......	29,320	33,966
Fortifications, Kingston..............	......	......	3,300
" Levis................	......	......	15,357
Total amount expended in **1874** upon works not commenced in **1873**	**$327,552**		
Total amount expended in **1875** upon works not commenced in **1873**................		**$203,546**	
Total amount expended in **1876** upon works not commenced in **1873**........................			**$556,596**

The present Government is of course alone responsible for the expenditure upon works commenced in 1875 and 1876, as well as for that upon some of the works commenced in 1874.

I now come to an important and interesting statement—"Public Works, Charges on Revenue," being chiefly for maintenance of the works, for the same years, namely, canals and improvements of Rivers, Railways, etc. In the case of the canals I have separated the salaries of the staff from the charge for labor for maintaining the works. It will be seen that the increase of expenditure in this direction has been large, but I will not trespass upon the patience of the Senate by dwelling upon it. The statement is as follows:—

EXPENDITURE UPON PUBLIC WORKS, CHARGES ON REVENUE, IN 1873, 1875, AND 1876, VIZ., ON CANALS, IMPROVEMENTS OF RIVERS, RAILWAYS, &C. :

WORKS.	1873.		1875.		1876.	
	Salaries.	Labour.	Salaries.	Labour.	Salaries.	Labour.
	$	$	$	$	$	$
Welland Canal	52,035	66,552	58,803	88,540	64,243	81,376
Lachine Canal	32,453	34,301	37,898	30,057	43,010	29,104
Beauharnois	13,106	9,880	15,401	12,153	15,600	17,171
Cornwall	13,946	12,468	14,219	7,098	14,262	6,424
Williamsburg	7,600	7,347	7,722	4,101	8,595	11,690
Burlington Bay	310	....	669	....	300	1,190
Chambly	12,810	11,790	14,559	16,308	12,946	13,273
Ottawa and Rideau	24,300	26,075	28,782	19,700	28,520	14,428
Carillon and Grenville	10,967	8,781	11,424	18,521	12,258	11,477
St. Anne's Lock	3,117	1,261	2,754	4,506	2,879	4,034
St. Our's Lock	2,620	1,575	1,885	1,245	1,926	1,601
St. Peter's Canal	343	6,539	560	889	641	....
Miscellaneous	1,657	5,273	....	....	....	....
Ottawa River Works	14,654	18,394	22,770	59,117	20,104	33,340
St. Maurice Works	16,356	7,092	17,651	9,237	18,251	4,490
Saguenay Works	684	541	863	1,442	1,116	4,025
Newcastle District Works	1,272	4,811	2,250	2,716	2,360	2,302
Sundries	....	440	....	1,090	....	2,185
Inspection of Canals	....	....	1,649	....	1,596	....
Piers below Quebec	....	947	....	1,339	....	18,871
Agent and Contingencies B. C.	....	....	....	....	2,345	161
TOTALS	208,230	224,073	239,859	278,059	250,952	257,142

RECAPITULATION.

ITEMS.	1873.	1875.	1876.
	$	$	$
Total Salaries	208,230	239,859	250,952
Total Labour	224,073	278,059	257,142
	432,303	517,918	508,094
Railways and Telegraphs	1,063,882	1,621,654	1,536,403
Total Expenditures on Canals, Rivers, Railways, &c., charges on Revenue in 1873	$1,496,185		
Total Expenditures on Canals, Rivers, Railways, &c., charges on Revenue in 1875		$2,139,573	
Total Expenditures on Canals, Rivers, Railways, &c., charges on Revenue in 1876			$2,044,497

I now come to the details of expenditure on Civil Government. I have separated salaries from contingencies, and the table is as follows :

DETAILS OF EXPENDITURE ON ACCOUNT OF CIVIL GOVERNMENT.

DEPARTMENTS.	1873.		1875.		1876.	
	Salaries.	Contingencies.	Salaries.	Contingencies.	Salaries.	Contingencies.
	$	$	$	$	$	$
Gov.-General and Lt.-Governors.	99,444	....	110,494	....	112,665	....
Secretary's Office..............	8,240	8,140	11,345	11,075	10,971	15,822
Privy Council..................	15,876	5,033	22,650	5,496	20,732	4,554
Department of Justice.........	17,367	9,470	21,844	10,852	22,983	4,996
Militia and Defence...........	37,475	5,764	43,545	11,971	44,071	5,971
Secretary of State.............	37,074	9,394	34,493	12,743	38,702	7,650
Minister of Interior...........	23,382	3,072	49,344	10,345	48,063	6,138
Receiver-General..............	24,318	3,224	28,839	5,644	28,445	3,669
Inland Revenue...............	24,778	9,451	30,191	8,715	31,565	5,907
Minister of Finance............	52,382	9,226	56,304	16,611	54,199	14,398
Treasury Board................	3,257	313	3,500	706	4,159	709
Customs......................	32,267	26,811	36,137	19,375	35,743	17,234
Public Works..................	46,624	13,192	60,526	17,453	56,940	11,320
Public Works Office, B. C.....	5,589	....	2,576	....	....	....
Post Office....................	74,643	38,850	88,936	40,872	92,460	31,820
Department of Agriculture.....	31,340	12,723	37,674	11,059	35,655	13,500
Marine and Fisheries...........	25,336	10,048	31,326	11,559	32,789	11,911
Sundry Departments...........	....	11,998	....	17,851	....	16,003
Agencies......................	....	....	15,442	....	....	....
TOTALS..............	559,392	176,709	685,166	212,327	670,142	171,602

RECAPITULATION.

ITEMS.	1873.	1875.	1876.
	$	$	$
Total Salaries..............................	559,392	685,166	670,142
Total Contingencies.........................	176,709	212,327	171,602
Land Office, Manitoba.......................	3,973	11,098	....
Dominion Office, N.S........................	3,269	....	....
Dominion Office, N.B........................	4,693	....	....
Stationery and Sundries......................	2,838	47	251
Civil Service................................	....	627	....
Total Expenditure on account of Civil Government in 1873.........................	$750,874		
Total Expenditure on account of Civil Government in 1875.........................		$909,265	
Total Expenditure on account of Civil Government in 1876.........................			$841,995

I have also dissected the contingencies; separating the charge for extra clerks from the other items. It has been stated very positively by the honourable Senator from Toronto (Mr. McMaster) that the public offices were filled by supernumeraries appointed by the late Government just before their

retirement from office; and a similar statement was made by the honourable Senator from Hamilton (Mr. Hope), when the subject was before the House a few weeks ago. It has been made and constantly repeated by the Government and their supporters for years. The Prime Minister himself even has made the same statement, adding that many of the appointments made by the late Administration just before retiring from office had been cancelled by the new Government. If appointments had been improperly made I would not defend them. I presume no officials but those for whom there was work were retained by the new Government. No doubt employment was found for them very soon; but if it be true that many supernumeraries were appointed by the late Government, and remained unemployed, how is it that so many extra clerks were required in the departments? It is impossible to believe that, even extravagant as the present Government is, it would have employed extra clerks while supernumeraries remained idle about the departments. The following statement is a complete refutation of this charge against the late Administration:—

DEPARTMENTAL CONTINGENCIES AT OTTAWA, WITH AMOUNT PAID TO EXTRA CLERKS, (WHICH ITEMS FORM PART OF TOTAL CONTINGENCIES.)

DEPARTMENT.	1873.		1875.		1876.	
	Total Contingencies.	Extra Clerks.	Total Contingencies.	Extra Clerks.	Total Contingencies.	Extra Clerks.
	$	$	$	$	$	$
Secretary's Office	8,140	991	11,075	1,856	15,822	2,673
Privy Council	5,033	....	5,496	....	4,554	....
Justice	9,470	....	10,852	1,100	4,996	325
Militia and Defence......	5,764	956	11,971	1,900	5,971	932
Secretary of State, including Queen's Printer in 1875	9,394	....	12,743	....	7,650	....
Interior.................	3,072	....	10,345	720	6,138	2,162
Receiver-General	3,224	....	5,644	1,370	3,669	9
Inland Revenue..........	9,451	2,142	8,715	3,400	5,907	1,820
Finance	9,226	1,209	16,611	5,838	14,398	8,287
Treasury Board..........	313	....	706	....	709	....
Customs.................	26,811	311	19,375	1,697	17,234	1,433
Public Works	13,192	2,414	17,453	3,541	11,320	1,578
Post Office.......	38,850	4,677	40,872	14,183	31,820	6,890
Agriculture...............	12,723	551	11,059	2,717	13,500	3,785
Marine and Fisheries	10,048	453	11,559	499	11,911	1,757
Sundry Departments......	11,998	....	17,851	....	16,003	....
Departmental Totals	**176,709**	**13,704**	**212,327**	**38,821**	**171,602**	**31,651**
Contingencies of House of Commons	**104,008**	....	**90,000**	....	**130,000**	....
Total Departmental Contingencies at Ottawa, '73	**280,717**					
Total Departmental Contingencies at Ottawa, '75	....	....	**302,327**			
Total Departmental Contingencies at Ottawa, '76	....	....	....	....	**301,602**	

The payments to extra clerks in 1875 were all but three times as much as in 1873, and nearly two-and-one-half times as much in 1876 as in 1873. It has been alleged throughout the length and breadth of the land that the increased expenditure in the departments was due to the supernumeraries appointed by the late Government before they retired; but the foregoing statement tells a different tale, and fastens the responsibility of the increase upon the present Administration.

The next statement I submit is upon a subject which I, as a layman, feel some delicacy in criticizing—the Administration of Justice. I must, however, call attention to it, for the increased expenditure under this head is enormous:—

DETAILS OF EXPENDITURE—ADMINISTRATION OF JUSTICE.

ITEMS.	1873.	1875.	1876.
ONTARIO.			
Court of Error and Appeal	$ 2,166	$ 20,999	$ 20,999
" Queen's Bench	14,500	15,999	15,999
" Chancery	14,108	15,999	15,999
" Common Pleas	14,500	15,999	15,999
County Judges	104,521	117,877	117,896
Circuit allowances	11,900	11,800	11,600
Total Ontario	161,696	198,676	198,496
QUEBEC.			
Court of Queen's Bench	24,152	25,999	25,998
Superior Court	78,774	112,743	113,201
Court of Vice-Admiralty	3,031	3,031	3,036
Circuit allowances	13,826	11,632	9,210
Total Quebec	119,784	153,406	151,445
Total Nova Scotia	32,500	32,449	34,099
" New Brunswick	33,649	36,699	36,788
" Manitoba and North-West	6,350	13,949	16,884
" British Columbia	37,318	42,991	40,527
" Miscellaneous	7,666	4,154	14,991
" Prince Edward Island	......	15,077	15,199
" Supreme Court	......	......	35,657
Total expenditure on Administration of Justice, **1873**	**$398,966**		
Total expenditure on Administration of Justice, **1875**		**$497,405**	
Total expenditure on Administration of Justice, **1876**			**$544,091**

The Court of Error and Appeal for Ontario down to 1875 was composed of the nine judges of the Superior Courts of the Province, and was presided over by a retired Chief Judge, whose pension was three-fifths of his former salary; and the sum paid him as Chief Justice in Appeal—Two Thousand

Dollars—made up his salary to what it had been before he retired from the Chief Justiceship of one of the Superior Courts. This was the condition of affairs down to 1875, and the cost of the Court to the country was only Two Thousand One Hundred and Sixty-six Dollars a year. Hon. gentlemen who are not aware of the facts may imagine that this Court of Appeal did its work inefficiently and unsatisfactorily. But the truth is the very reverse of this. So satisfied were suitors, as a rule, that but few of its decisions were appealed from to the Judicial Committee of the Privy Council, and no one of its judgments has ever been reversed. The Judiciary of Ontario occupies a proud pre-eminence among the Judiciaries of the Colonies of the British Empire: no one of the judgments of the Court of Appeal of that Province has been reversed.

Hon. MR. SCOTT said the Court of Error and Appeal was constituted under a statute of the Ontario Legislature.

Hon. MR. MACPHERSON—I am quite aware of that, but Ontario did not not appoint the judges or assign the salaries. I do not believe the Minister of Justice would attempt to evade any of his responsibility in this matter.

Hon. MR. SCOTT—We could not have controlled it in the slightest degree.

Hon. MR. MACPHERSON—I am aware the present Minister of Justice was not in office when the Court was constituted and the judges were appointed; but will the Secretary of State say that Court was constituted without the express sanction of Mr. Blake?

Hon. MR. SCOTT said on the same principle the Minister of Justice would be held responsible for the appointment of additional judges in Quebec the following year, and for the appointment of County Court Judges in Nova Scotia.

Hon. MR. MACPHERSON—There is no analogy between the cases. The Minister of Justice does not possess the same influence in Quebec or Nova Scotia that he does in Ontario. He is not the leading member of the Bars of those Provinces as he is of the Bar of Ontario. No Legislature of Ontario would have ventured to constitute a Court for that Province without the express sanction of the present Minister of Justice; and no judges would have been appointed without his being consulted. One of the charges against the late Hon. Sandfield Macdonald's Government in Ontario was, that it held too intimate relations with the Dominion Government of that day. I am not aware that any fact has ever been brought to light to prove that those relations were prejudicial to the public interest. Can as much be said for the present Government of Ontario and the Mackenzie Administration? The cost of Sir John Macdonald's Court of Appeal for Ontario was Two Thousand One Hundred and Sixty-six Dollars a year; the cost of the new Court is Twenty-One Thousand Dollars a year, and this does not by any means represent the enormous increase in the cost of litigation, caused by the changes.* When the Government of the day intended to create a Supreme Court for the Dominion, at a cost of Thirty-Five Thousand Six Hundred and Fifty-Seven Dollars, they should not, I submit, have created a Court of Appeal for Ontario, but should have appointed additional judges, if necessary, in the existing Courts. I believe there never was such an opening for law reformers in Ontario as at present. In saying this, I do not wish to detract in any way from the Minister of Justice, who stands at the head of his pro-

* The changes in the system of judicature, effected by the present Government of Ontario and of the Dominion, promoting, as they do, appeal after appeal from Court to Court up to the Supreme Court at Ottawa, have increased enormously the cost of the Administration of Justice to litigants as well as to the public.

fession, and is a great lawyer; but history tells us that all great lawyers have not been successful law reformers. I now come to the expenditure in the Customs Department:—

CUSTOMS—DETAILS OF EXPENDITURE FOR 1873, 1875 AND 1876.

PROVINCES.	1873.	1875	1876
Ontario	$183,505	$217,051	$226,874
Quebec	176,985	196,592	211,285
New Brunswick	73,353	94,716	93,457
Nova Scotia	93,970	100,712	105,098
Manitoba	8,352	12,039	12,989
British Columbia	24,477	19,056	23,323
Prince Edward Island	....	22,727	25,548
Total Expenditure for **1873**	**$567,675**		
Total Expenditure for **1875**		**$682,673**	
Total Expenditure for **1876**			**$721,008**

It will be observed that while the revenue from Customs has very greatly decreased, the cost of collecting it has steadily increased. The cost of collecting this branch of the revenue in 1876 was Thirty-eight Thousand Three Hundred and Thirty-five Dollars more than 1875, while the revenue for the same period fell off Two Million Five Hundred and Twenty-Seven Thousand One Hundred and Seventy-four Dollars. The present Government is of course alone responsible for the expenditure of last year, and I should like to hear a reasonable explanation of the increased cost of collecting the Customs revenue.

I will take the Excise Department next. Under the circumstances it is extraordinary. In it the expenditure has been as follows :—

EXCISE—DETAILS OF EXPENDITURE FOR 1873, 1875 AND 1876.

ITEMS.	1873.	1875.	1876.
ONTARIO.			
Salaries	$76,791	$94,066	$92,119
Contingencies	12,005	16,891	24,030
Total Ontario	88,796	110,957	116,149
QUEBEC.			
Salaries	25,299	30,968	31,349
Contingencies	4,752	6,651	7,901
Total Quebec	30,051	37,619	39,250

ITEMS—(*Continued*).	1873.	1875.	1876.
NOVA SCOTIA.			
Salaries	6,203	7,900	7,275
Contingencies	535	2,724	3,455
Total Nova Scotia	6,738	10,624	10,730
NEW BRUNSWICK.			
Salaries	5,139	7,150	6,885
Contingencies	871	1,399	1,380
Total New Brunswick	6,010	8,549	8,265
Total Salaries	113,432	140,084	137,628
Total Contingencies	18,163	27,665	36,766
Manitoba	1,924	3,998	4,253
British Columbia	1,285	5,318	6,208
Prince Edward Island	......	3,056	3,829
General Expenses	36,900	19,132	29,675
Total Expenditure for **1873**	**$171,704**		
Total Expenditure for **1875**		**$199,253**	
Total Expenditure for **1876**			**$218,359**

It will be seen that the expenditure in this department has largely increased since 1873; the contingencies have actually more than doubled. It is incredible that the necessities of the service called for so large an increase in expenditure.

I now come to the Department of Immigration and Quarantine. I believe no money has been spent by this Government from which the country has got a smaller return. I hope the Minister at the head of that Department will tell the House why it is so.

The following letter, from the then Agent-General of Canada, published in the London *Times* of 12th July, 1875, when the Premier was in England, must have checked emigration to Canada:

"EMIGRATION TO CANADA.

" *To the Editor of the Times:*

" SIR,—Will you permit me to make, through the columns of the *Times*, an intimation " which may serve to prevent a great deal of disappointment and trouble? The advices " which I have from Canada, both privately and in the press, as well as from gentlemen " who have lately arrived from there, show that in the present state of commerce and " trade in the Dominion, and especially at so late a period of the emigration season, it is " not advisable to encourage the emigration from this country of artisans, mechanics, clerks, " and general labourers to Canada. These persons, arriving in the middle of July or in the " beginning of August, will find a depressed state of trade and a lack of general employ- " ment; and unless they have extraordinary energy and self-reliance, or sufficient means to " sustain themselves for a considerable time, they may find themselves forced to face a " Canadian winter with no prospect of employment. To encourage emigration of such " persons, in such circumstances, would be almost criminal, and equally disastrous to the " emigrants themselves and to the interests of Canada. I am, however, advised that there

"is still one interest which continues to flourish, and that there is still a healthy demand "for agricultural labourers. I do not, therefore, desire to discourage the emigration of these "classes, provided that they do not take out with them large families. But still I deem it "advisable to announce that the Canadian Government will not press during the approach- "ing autumn for a large exodus even of these classes. For female domestic servants there "is always a demand, at good wages in Canada, and it would be safe for them to go at any "time. I am assured that in a few months the unsatisfactory condition of the labour "market in Canada will have been greatly altered, and I hope soon, in view of the public "works which are projected, and the increasing prosperity of the Dominion, to be able "again to recommend to English labourers of all classes the selection of Canada as their "home. In the meantime, the efforts of the Canadian agents will be devoted, during the "autumn and winter, to preparation for a large emigration in the spring, and I shall cause "registers to be opened by the Government agents in all parts of the country, to which "laborers of all kinds may send their names, descriptions and copies of testimonials, which "will be forwarded to the Government agents in Canada, with a view to enabling them to "transmit to this office any offers that may be make by the local employers to secure the "services of such persons. The details of this arrangement, however, will be otherwise "announced.

"I am, sir, your obedient servant,

"EDWARD JENKINS,
"Agent-General.

"Canada Government Buildings,
"Westminster, July 9."

In the face of such a circular as that, how could we expect immigration to flow into this country? Could anything be more ill-advised, or exhibit greater ignorance of the field which Canada offers to immigrants? This country is specially adapted for workingmen with large families. It will cost the country a large sum to restore the stream of immigration diverted by this unwise advertisement. It gives to the Immigration Agents of other countries a strong argument against Canada. The following statement shows the expenditure of the Department, and the cost of the immigrant *per capita*:—

DETAILS OF IMMIGRATION AND QUARANTINE FOR 1873, 1875, AND 1876.

ITEMS.	1873.	1875.	1876.
Total expenditure	$277,368	$302,770	$385,845
Quarantine items	11,871	13,768	12,233
Total in 1876 on account of Mennonites:			
Transport	....	....	38,761
Loan	....	....	57,670
			$96,431
Total number of Immigrants by the St. Lawrence route for 1873	36,901		
Total number of Immigrants by the St. Lawrence route for 1875	....	16,038	
Total number of Immigrants by the St. Lawrence route for 1876	....	....	10,901
Cost per head in 1873	$7 76		
Cost per head in 1875	....	$18 90	
Cost per head in 1876	....	....	* $26 55

*This is based on expenditure, less the amount paid to the Mennonites. Adding cost of *transport* of Mennonites, but excluding the loan, the cost *per head* of all immigrants for 1876 was Thirty Dollars and Ten Cents.

In this statement I have not included the immigrants who entered Canada by the Suspension Bridge—who were people passing through from New York to the Western States, or who came to reside temporarily in Canada, and whose effects were admitted duty free when they described themselves as settlers.

The appointment of Mr. Jenkins as Agent-General was an unfortunate step. The immigration now is almost nominal, while the expenditure continues enormous; and why this is allowed I hope the Minister of Agrirculture will be able to explain. Not only have large sums been paid to promote immigration, but a large amount has also been paid for emigration, or what is called euphoniously "repatriation." When repatriation was first spoken of in this country, I understood it to mean encouragement which was to be offered to French Canadians who had left Canada for the United States, under a misapprehension, and who desired to return and settle in their own country, but had not the means. But if there was a willingness to do this, I did not suppose that Canada was going to assist people to return to Europe. The expenditure was voted by Parliament for the purpose of bringing people into the country, and not for sending them out of it, but I find in the public accounts that the sum of Five Thousand Four Hundred and Sixty-Four Dollars and Forty-nine Cents has been expended in aiding foreigners to return to their native land. I consider such expenditure most unwarrantable, because there are ample opportunities afforded to industrious people to make a comfortable living for themselves and their families in this country. The expenditure was unwise, and was a misapplication of the money of the tax-payers of this country. The next matter of detail to which I will call attention is the expenditure under the Weights and Measures Act. This measure was passed by the late Government, and the then Finance Minister, Sir Francis Hincks, estimated the expenditure at Fifty Thousand Dollars; but it has cost Ninety Thousand or One Hundred Thousand Dollars a year since it was put in operation.

Hon. Mr. SCOTT—The fees are not credited in that account; they are paid into the Consolidated Fund.

Hon. Mr. MACPHERSON—The present Government was premature in putting this Act into operation. There was nothing in the Act requiring that it should go into operation until the country was prepared for it. It required the proclamation of the Governor-General to put it into operation, and that proclamation must have been issued upon the advice of the present Government. I think the Government will find it a difficult matter to justify this expenditure. The truth is that wherever it could be done, or under whatever Act it was possible to dispense patronage, it was dispensed, and every plausible excuse was advanced to justify and excuse it. The consequence is the enormous increase in the public expenditures under the auspices of the present Government, to which I am now calling attention.

Hon. Mr. SCOTT—There were certain limitations in the Act as to the kind of weights and measures to be enforced after 1874.

Hon. Mr. MACPHERSON—It was not obligatory on the Government to enforce the new Act until the circumstances of the country rendered it desirable.

The next statement which I propose to submit will be interesting in itself rather than reflecting upon any Government. It is a comparative statement of the public debt and the interest thereon since 1873:

COMPARATIVE STATEMENT, PUBLIC DEBT AND INTEREST.

PUBLIC DEBT.	TOTALS.	Increases.	INTEREST ON DEBT.	TOTALS.	Increases.
	$	$		$	$
Total debt, 1873...	129,743,432		Total interest, 1873.	5,549,374	
Increase, '73 to '74.	....	11,420,119	Increase, '73 to '74.	.. ..	573,470
Total debt, 1874...	141,163,551		Total interest, 1874.	6,122,844	
Increase, '74 to '75.	....	10,499,850	Increase, '74 to '75.	....	217,212
Total debt, 1875....	151,663,401		Total interest, 1875.	6,340,056	
Increase, '75 to '76.	....	9,541,286	Increase, '75 to '76.	....	413,115
Total debt, 1876 ..	161,204,687		Total interest, 1876.	6,753,171	
Total increase of debt in 1874, 1875, and 1876		31,471,255			
Total increase of interest in 1874, 1875, and 1876.....					1,203,797

Hon. gentlemen know that interest is charged against the Consolidated Fund; and since the 30th of June, 1873, the increased amount of interest charged to that fund has been One Million Two Hundred and Three Thousand Seven Hundred and Ninety-seven Dollars—not the annual increase, but the total increase of interest during those three years. Hon. gentlemen will here find a confirmation of what I have stated—that the burthens of the people are not being lightened, but grievously increased. My next statement will show the annual expenditure on account of the public debt since 1873:—

ANNUAL EXPENDITURES ON ACCOUNT OF PUBLIC DEBT COMPARED SINCE 1873

	1873.	1874.	1875.	1876.
	$	$	$	$
Interest.................	5,209,205	5,724,436	6,590,790	6,400,902
Management and Exchange ...	178,644	264,683	227,200	208,147
Sinking Fund	407,826	513,920	555,773	822,953
Total Expenditure on account of Public Debt in 1873	$5,795,675			
Total Expenditure on account of Public Debt in 1874		$6,503,039		
Total Expenditure on account of Public Debt in 1875			$7,373,763	
Total Expenditure on account of Public debt in 1876..				$7,432,002

Hon. Mr. WILMOT—I should like to know whether the amount paid into the Sinking Fund is an asset?

Hon. Mr. MACPHERSON—It is an asset in a certain sense, but can

not be used. It is so much paid in and accumulating to pay the debt. It is chargeable against income. The interest, Sinking Fund and other charges amounted to Seven Million Four Hundred and Thirty-two Thousand and Two Dollars for the year ending the 30th of June last, being an increase of One Million Six Hundred and Thirty-six Thousand Three Hundred and Twenty-seven Dollars over 1873.

Hon. Mr. SCOTT—Chargeable to this Government?

Hon. Mr. MACPHERSON—The loans were negotiated and the expenditure made under this Government. I do not intend this statement as a reflection on any Government, though the expenditure has been incurred by the present Administration. My object in submitting the statement is to call the attention of Parliament and of the country to the enormous rate at which the burthens of the people are being increased. I do so in the hope that the Government, Parliament and the people will see that they will have to be prudent, and that they should hesitate before they expend Twenty Million Dollars between Lake Superior and Red River, which would increase the annual taxation, for interest alone, One Million Dollars, to say nothing of the enormous annual loss that would result from working the railway.

INCREASE OF ANNUAL EXPENDITURE ON ACCOUNT OF PUBLIC DEBT SINCE 1873

	Increase in 1874.	Increase in 1875.	Increase in 1876.	Increase 1876 over 1873
Interest paid on Public Debt....	$515,231	$866,354	decrease 189,888	$1,191,697
Management and Exchange	86,039	decrease 37,483	decrease 19,053	29,503
Sinking Fund..................	106,094	41,853	267,180	415,127
Total increases	$707,364	$908,207	$267,180	$1,636,327
Less for decreases	....	37,483	208 941 ..	......
Net increase in 1874.........	$707,364			
Net increase in 1875		$870,724		
Net increase in 1876			$58,239	
Net increase of 1876 over 1873 ..				$1,636,327

I ask the hon. gentlemen opposite if this increase in the annual burthens in connection with the public debt is not a serious matter? I look upon it with alarm when I consider the unprofitable and useless objects for which this capital is being expended.

Hon. Mr. WILMOT—Hear, hear.

Hon. Mr. MACPHERSON—I will submit a comparative statement of expenditure charged to capital account in the years 1873, 1874, 1875 and 1876; also a comparative statement of Revenue and Expenditure since Confederation, showing the surplus or deficit for each year, and a statement of Capital Expenditure for the same period. These statements are interesting in themselves:—

Items of Expenditure charged to Capital in Public Accounts, in the years 1873, 1874, 1875, and 1876.

	Totals.	Name of Work.	1873.	1874.	1875.	1876.
	$		$	$	$	$
Canals	3,445,299	Welland Canal	82,282	746,420	1,047,119	1,569,478
	691,631	Lachine Canal	7,824	158,618	197,420	327,769
	82,173	Beauharnois Canal	33,241	26,541	22,391	....
	794,365	Carillon and Grenville Canals	132,822	190,823	249,512	221,708
	9,448	Baie Verte	4,877	4,018	443	110
	250,157	Carillon and Chute à Blondeau	376	54,935	90,352	104,494
	70,315	St. Ann's Lock	....	12,758	32,627	24,935
	11,473	Rideau	....	....	9,310	2,163
	140,501	Lock at Culbute Rapids	....	....	63,659	76,842
	2,415	Chambly	....	....	2,415	....
	11,145	St Peter's	....	....	20	11,125
	50,215	St. Lawrence	....	....	....	50,215
	5,559,137					
Parliament Buildings	692,792	Library	35,931	49,604	42,941	40,067
		Tower and ground	63,585	86,359	47,858	78,088
		Walls and workshops	....	....	48,070	12,670
		Extension West Block	....	....	27,254	100,000
		Fire walls and water service	....	....	23,358	37,013
Pacific Railway	2,137,692	Survey	561,818	310,224	474,529	791,121
	83,940	Fort Francis Locks	....	....	7,411	76,529
	2,724,201	Steel Rails	....	....	1,012,789	1,711,412
	3,544	Sundries	....	....	3,544	....
	215,844	Telegraph line	....	....	28,560	187,284
	113,055	Lake of Woods and Rainy River	....	....	....	113,055
	195,370	Fort Garry and Pembina	....	....	19,405	175,965
	179,804	Fort William to Shebandowan	....	....	....	179,804
	111,394	Georgian Bay Branch	....	....	....	111,394
	5,764,844					
		North-West Territories	63,288	....	....	....
Intercolonial	11,889,295	Intercolonial	4,827,188	3,417,661	2,645,460	998,991
Government Railways	88,632	P. E. I Railway	....	....	46,086	42,546
	1,279,309	Nova Scotia and New Brunswick	192,055	197,286	780,688	109,880
Total spent 1873 to 1876	25,337,241	Totals	6,005,240	5,254,698	6,923,185	7,154,118

General Summary.

Totals.	Items.	1873.	1874.	1875.	1876.
$		$	$	$	$
5,559,145	Canal Works	261,430	1,198,608	1,715,268	2,388,839
5,828,082	Pacific Railway	625,056	310,224	1,546,288	3,346,564
11,889,325	Intercolonial Railway	4,827,183	3,417,667	2,645,474	999,001
1,279,259	Gov't. Railways, N. S. and N. B	192,055	197,236	780,688	109,280
88,632	P. E. I. Railway	....	....	46,086	42,546
692,798	Parliament Buildings	99,516	135,968	189,481	267,838
25,337,241	Total Expenditure charged to Capital in Public Accounts in 1873	6,005,240			
	Total Expenditure charged to Capital in Public Accounts in 1874	....	5,254,698		
	Total Expenditure charged to Capital in Public Accounts in 1875	....	....	6,923,185	
	Total Expenditure charged to Capital in Public Accounts in 1876	....	....	....	7,154,118

N.B.—Total for Intercolonial to 30th June, 1876, Twenty-one Millions Five Hundred and Eighty-two Thousand One Hundred and Eighty-eight Dollars. Total for Pacific Railway to same date Six Millions Two Hundred and Fifty-four Thousand Two Hundred and Eighty Dollars. These amounts include expenditure previous to 1873, not shown above

COMPARATIVE STATEMENT OF THE REVENUE AND EXPENDITURE OF EACH FINANCIAL YEAR SINCE CONFEDERATION.

EXPENDITURE AS PER PUBLIC ACCOUNTS	1867-68.	1868-69.	1869-70.	1870-71.	1871-72.	1872-73.	1873-74.	1874-75.	1875-76
	$	$	$	$	$	$	$	$	$
Charges for management of Debt, Interest and Subsidies	7,969,990	8,403,527	8,102,191	8,638,565	9,004,362	8,717,076	10,255,798	11,124,726	11,122,359
Ordinary Expenditure	3,630,298	3,459,485	3,891,592	4,610,401	5,873,519	7,062,095	8,324,076	7,868,690	8,569,774
Charges on Revenue	1,885,804	2,175,071	2,351,724	2,374,114	2,711,587	3,395,475	4,736,442	4,719,654	4,796,238
Total charged to Consolidated Fund	13,486,092	14,038,084	14,345,509	15,623,081	17,589,468	19,174,647	23,316,316	23,713,071	24,488,372
Total Receipts of Revenue as per Public Accounts	13,687,928	14,379,174	15,512,225	19,335 560	20,714,813	20,813,469	24,205,092	24,648,715	22,587,587
Yearly surpluses	201,836	341,090	1,166,716	3,712,479	3,125,345	1,638,822	888,776	935,644	....
Deficit	....	....	....	....	....	....	....	....	1,900,785

RECAPITULATION OF SURPLUSES.

SURPLUS—Financial year 1867-68	$ 201,836
" " " 1868-69	341,090
" " " 1869-70	1,166,716
" " " 1870-71	3,712,479
" " " 1871-72	3,125,345
" " " 1872-73	1,638,822
" " " 1873-74	888,776
" " " 1874-75	935,644
Total amount of Surpluses since Confederation	$12,010,708

DEFICIT—Financial year 1875-1876 (ending 30th June, 1876) $1,900,785

CAPITAL EXPENDITURE, AS PER PUBLIC ACCOUNTS, FOR EACH FINANCIAL YEAR SINCE CONFEDERATION.

	1867-68.	1868-69	1869-70.	1870-71.	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.
	$	$	$	$	$	$	$	$	$
Miscellaneous Public Works......	524,126	325,127	281,630	....	461,969	552,998	1,526,811	2,731,482	2,808,560
Pacific Railway........	....	....	....	....	489,428	561,818	310,224	1,546,241	3,334,567
Intercolonial Railway	50,081	169,782	1,567,586	2,866,376	5,039,063	4,827,183	3,417,661	2,645,460	998,991
North-West..........	....	19,113	1,821,887	773,871	241,888	63,238	....	....	....
Total Expenditure on Works. ...	574,208	514,203	3,671,104	3,640,248	6,236,349	6,005,240	5,254,698	6,923,185	7,154,118
Debts allowed Provinces......	....	....	....	....	1,662,200	13,859,079	4,927,060	....	....
Total Capital Expenditure.....	574,208	514,203	3,671,104	3,640,248	7,898,549	19,864,319	10,181,758	6,923,185	7,154,118
Increase and Decrease of Debt.	+28,493	+102,184	+2,350,423	-503,224	+4,480,554	+17,661,389	+8,476,502	+7,683,413	+8,543,136
Capital Expenditure from Income..	545,714	411,838	1,320,681	4,143,472	3,417,995	2,202,929	1,705,256	-760,228	-1,389,017

RECAPITULATION OF CAPITAL EXPENDITURE.

Total Capital Expenditure on Miscellaneous Public Works since Confederation..................	$ 9,212,706
Total Capital Expenditure on Pacific Railway since Confederation..................	6,254,280
Total Capital Expenditure on Intercolonial Railway since Confederation..................	21,582,188
Total Capital Expenditure on works in North-West Territory since Confederation..................	2,920,000
Total Debts allowed Provinces since Confederation..................	20,452,340
Total Capital Expenditure since Confederation..................	60,421,515
Net increase of Debt since Confederation..................	48,822,872
Total Capital Expenditure from Income..................	11,598,643
Expenditure on Public Works in former years, transferred from Capital Account to Consolidated Fund in 1870-71	317,680
Amount of Income expended on Public Works, properly chargeable to Capital, and thereby *pro tanto* avoiding the increase of the Public Debt..................	**$11,280,962**

I think the foregoing statements will be useful and interesting to the country. They are not exhibited with the intention of blaming any Government, as the works have been carried on under Acts of Parliament, and the Government was only bound to see that they were conducted in an economical manner. Whether the Government have done that or not is best known to themselves, but from all that has been discovered of the wasteful expenditures of the present Government, I think the House can not be blamed if it incline strongly to the opinion that the whole might have been done much more economically. Many items of expenditure are wholly indefensible. I believe I have proved that the statement made by the Prime Minister in another place was not correct. A portion of the public burdens may be changed from one column to another of the Public Accounts, but the burdens will remain undiminished and will increase. If the hon. Secretary of State can prove the facts to be otherwise, I shall be very glad. I have not the advantage of the Finance Minister's revision this session of the estimate of revenue brought down by him last session. I have proved that down to 1873 the finances of the country were in a sound and easy condition; that the Government of that day was perfectly justified in undertaking the construction of works, payable out of income, which they proceeded with; that the surpluses during the six years they were in office amounted to the enormous sum of Eleven Millions One Hundred and Sixty Thousand Eight Hundred and Forty-four Dollars;* that not only were the works properly chargeable to income paid for out of income, but that a large amount was paid out of income which was fairly chargeable to capital, thus avoiding *pro tanto* the expenditure of capital; that Mr. Tilley made provision for the estimates—supplementary estimates—and for the increased statutory expenditure of the session of 1873; that the surplus of that year and of the following year were ample to cover the expenditure and leave no deficit; that at that time income and expenditure were pretty evenly balanced, but there was no deficit; that the new Government, when it succeeded to office, apparently desiring to increase the expenditure, imposed new taxation, which the Minister of Finance estimated would yield Three Millions of Dollars, but which only yielded One Million Seven Hundred Thousand Dollars; that that was the beginning and the cause of the financial difficulties which resulted in a deficit of Two Millions of Dollars on the 30th June last.

Hon. Mr. Scott—Where will I find the supplementary estimates of Mr. Tilley for 1874?

Hon. Mr. Macpherson—There were supplementary estimates that year.

Hon. Mr. Scott said there was nothing but what appeared in the ordinary estimates. Schedule B and schedule A were for amounts expended from the former year.

Hon. Mr. Macpherson—Mr. Tilley mentioned both the expenditure embodied in Acts of Parliament and in supplementary estimates,as quoted before recess. This shows that Mr. Tilley had brought down supplementary estimates,† the items in which and in Acts of Parliament made the increased expenditure of the session of 1873 amount to One Million Five Hundred and Forty-Two Thousand Dollars, according to Mr. Tilley; and to show that that amount was substantially correct, I will quote the following words from Mr. Cartwright's

* Mr. Tilley showed that between Confederation and June 30, 1872, there had been paid out of surplus revenue towards the construction of public works chargeable to capital $9,522,022, to which I add the surplus of 1873, $1,638,822.

† Mr. Tilley's supplementary estimates in the session for 1873 amounted to Five Hundred and Forty Seven Thousand One Hundred and Eighty-Three Dollars.

Budget speech of 1874 :—"The legislation of last session added over One " Million Five Hundred Thousand Dollars to the fixed charges of the coun- " try." The sum of Two Millions of Dollars in schedule A of the Supply Bill of 1874, charged against revenue, I believe was altogether for increased expenditure which the revenue did not cover, and for which the present Government is responsible.

Hon. Mr. SCOTT—No, no! Our contention is that we entered upon no new expenditures, and that it required Two Millions to meet Mr. Tilley's deficiencies.

Hon. Mr. MACPHERSON—The Public Accounts do not bear out that statement. There was a large expenditure in 1875 and 1876 upon works which had not been commenced in 1873 or 1874. The Government have, unquestionably, been extravagant and reckless in their expenditure. They have disregarded the pledges of retrenchment and economy upon which they came into power, and placed the country in financial peril by not providing for the deficit which resulted from their miscalculation, as soon as they discovered it. The expenditure of 1876 over 1875, for which they alone were responsible, amounts to Seven Hundred and Seventeen Thousand and Sixty-Two Dollars.

The object I have in view in bringing this subject under the notice of the House is to show the enormous increase in the controllable expenditure during the last three years, for which the present Administration must necessarily be held responsible. This expenditure increased at the rate of Six Hundred Thousand Dollars per annum; or One Million Eight Hundred Thousand Dollars in the three years. I have given them credit for the expenditure resulting from the legislation of 1873. The actual increased expenditure of 1876 over 1873 was Three Millions Six Hundred and Sixty-seven Thousand Three Hundred and Eight Dollars, of which the present Finance Minister alleges One Million Five Hundred Thousand Dollars resulted from the legislation of 1873. I accept this statement as correct, and I allow Three Hundred and Sixty-seven Thousand Three Hundred and Ninety-eight Dollars in addition, which is a liberal allowance for reasonable and necessary increases. The balance—nearly Two Millions of Dollars—therefore is the amount of the increased controllable expenditure incurred by the present Administration. The correctness of this statement is confirmed by the fact that the actual ascertained increase in controllable expenditure for 1876 over 1875 is Seven Hundred and Seventeen Thousand and Sixty-two Dollars, and that year was entirely within the control of the present Government. This sum multiplied by three would give a considerably larger increase for the three years than I charge against the Administration.

I will refer to one other matter. In the Speech from the Throne, delivered at the opening of the session, the following paragraph found a place :—" Notwith- " standing the loss of revenue, consequent chiefly on the diminution of our " importations, the reductions effected during the current year have gone far " to restore the equilibrium between income and expenditure, though great " economy will still be needful to attain that object." I hope this will prove to be the case.

This session was opened in the beginning of February, at a time when the Government knew that the revenue of the country was falling off; when they knew that it was then less by Three Hundred and Twenty-six Thousand Five Hundred and Six Dollars than it was at the same time last year. They were aware that large additional amounts would have to be charged against the Consolidated Revenue Fund for the increased public debt, that at least Six Hundred Thousand Dollars per annum had been added to it for interest on the new loan negotiated at the end of last year; they knew it was being added to

otherwise, and that, too, in the face of a decreasing revenue which rendered it almost certain that the end of the current financial year would show another deficit instead of any restoration of the equilibrium between revenue and expenditure. I am not, however, going to charge the Ministry with having put words in the Speech from the Throne which they did not believe to be strictly true. To do so would be to charge them with a very grave offence, as great an offence as the advisers of the Crown could commit, for it would be first deceiving the Crown and then employing the Crown as their medium for deceiving and misleading the people. I will not accuse the Government of this offence, but hope, for the sake of the country, that the result will prove the correctness of the words placed in the Speech from the Throne. I shall, no doubt, be charged with partizanship, as I have been before, when I have called attention to the shortcomings of the Government; but the only partizanship I have in this matter is in favour of efficient administration.* This is my only motive, and I think my course in this House while I have had had a seat in it entitles me to expect that my statement will be accepted. I expected an efficient and able administration of the public affairs from the present Government. I put faith in their pledges of political purity, and financial retrenchment; but I have been sadly disappointed, as the country has been.

* Holding a position independent of parties, as I have always done in the Senate, and criticizing measures freely, in the public interest, as I believed, it has been my fate to be charged with partizanship by both Governments, each in turn charging me with being the partizan of the Opposition for the time being. My study has been to be the partizan of neither.

SPEECH

ON THE TARIFF AND LOAN.—DELIVERED IN THE SENATE, OTTAWA, ON FRIDAY, APRIL 27TH, 1877.

I am sorry I cannot allow the Bill to pass at this late hour without detaining the House a few minutes. Changing the Tariff at any time disturbs the trade of the country very seriously. The changes proposed now are few and small—so small that it is impossible to justify them. They are so insignificant that the Government when introducing the Bill ought to have apologized for them. The object, I presume, is to increase the revenue; and the Secretary of State should have told the Senate what additional amount of revenue was required, and how much the changes in the tariff were estimated to yield. There was a deficit of Two Millions on the 30th June last. The Finance Minister has not revised the estimates of revenue made last session during the present session of Parliament, so that the House does not know what he expects will be the result at the end of the present fiscal year. That information should have been furnished to Parliament. There can be little doubt that a new deficit will be found to exist at the end of the year. In view of the deficit of last year, and the certain accruing deficit of this year—amounting together to a very large sum, I fear—it seems trifling to make these changes in the tariff for the small sum they will yield. According to the estimate of the Finance Minister, submitted in another place, they will yield only some Four or Five Hundred Thousand Dollars. If it is intended to supply the deficiency in the revenue by this slight increase of the taxation of the country, the increase is wholly inadequate for the purpose, and it is difficult to imagine any attempt more lame and impotent. The depression throughout the country is wholly unprecedented in the memory of any member of this House. All the enterprises of the country are stagnant and paralyzed. Our financial embarrassment and deficits are increasing. I do not hold the Government altogether responsible for the prostrate condition of commerce; but I contend that if they had a policy, if they had even sympathy for the country, they might mitigate the feeling of despondency which prevails so widely. I know that men of means who are disposed to embark in enterprises in the country are deterred by the fear that if they did so, and became successful, the Government would find some excuse for interfering with their prosperity by taxing them, or in some way acting prejudicially to their interests. It is a very unfortunate opinion or sentiment to be abroad in the country, but it is abroad, and it is not altogether without ground. The oft-referred-to sugar-refining trade is an instance in point. It was encouraged until it became exceedingly prosperous, but so soon as that was the case it became the envy of many, and the Government, who had previously fos-

tered it, turned against it and starved it. The direct tea trade was actually stamped out by Parliament at the instance of the present Government. The Secretary of State seemed to think lightly of this trade, because it employed only one ship.

Hon. Mr. SCOTT—Two, one year.

Hon. Mr. MACPHERSON—Each ship sent to open trade with a foreign country is a pioneer of the commerce of the Dominion. I suppose the great Eastern trade of the United Kingdom did not commence with a fleet such as is employed in it to-day, but with one ship. I am a free trader, but I believe that so long as we have to raise a revenue from customs duties, interests will grow up under the protection thus afforded; and the policy, whether sound or not, under which manufactures grow up should not be suddenly changed, so as to destroy new and important interests. The effect of an uncertain and changing policy is not simply injurious to the interests immediately affected, but it engenders feelings of uneasiness and distrust which prevent men from embarking their capital in enterprises in this country. I contend the people of the Dominion are now suffering from these feelings of uneasiness and of distrust in the Government. The Administration has manifested a desire to meddle in business matters between man and man, and its effect has been injurious. It would be well if the tariff could be understood to be fixed for a term of years, that people might know what they had to depend upon. The frequent changes that are made and the uncertainty that attends the tariff, are unfavourable to the creation of new enterprises, and in this way injurious to the country.* The debt of the country is being increased with alarming rapidity and for unprofitable purposes. Sir Francis Hincks, in 1870, showed it was then Twenty-two Dollars and Fifty Cents per head. In 1873, Mr. Tilley said the debt, per head, had not increased. But in 1876 the debt had increased to Thirty-seven Dollars and Ninety-three Cents per head. The taxation had increased from Three Dollars and Fifty Cents in 1870, to Five Dollars and Seventy-six Cents in 1876; that was the rate of taxation paid last year, but it was not enough to meet the expenditure of the country. Six Dollars per head is now required. In 1873 Mr. Tilley showed that the duty paid on goods entered for consumption was Ten and One-fifth per cent; in 1876 it was Thirteen and Fifty-four Hundredths per cent, showing the average duty had increased about one-third; in other words every person had to pay one-third more duty on the goods consumed by him. Where each one contributed Three Dollars in this way to the revenue in 1873, every man, woman and child has now to contribute Four Dollars. We used to pride ourselves upon this being a cheap country to live in. I fear we cannot boast of that any longer.

Our large unproductive expenditure is not only increasing our burdens at home, but is impairing our credit abroad. This was exhibited in the negotiation of the loan by the Finance Minister in October last. I do not intend to say one word in blame of the way in which that loan was negotiated. The first duty of the Minister of Finance was to make certain of success, because it would have been unfortunate for the country if he had failed. But he was completely in the hands of the moneyed men in England. He had to be

* In my opinion it is scarcely possible to over-estimate the importance of imparting a character of stability to our customs and excise legislation. I think it might be done without unduly fettering Parliament; and until it is secured money will not be forthcoming freely and confidently, for investment in industrial enterprises in this country. The experience of the sugar refiners of Montreal will serve as a warning for a long time to come. Capitalists will not expose their property to the possibility of being experimented upon—as sources of new taxation—by Ministers of Finance.

guided by the financial agents of the country, and although they might have advised him to place the loan at a low price, I would not blame them. The Dominion had no right to expect them to give us their money on better terms than they could obtain from others. We had no claim upon them, and when we went to them for a loan they treated us as a banker would a customer in this country. They would naturally ask what had been our success during the preceding year—what had been the measure of our prosperity. When this question was asked Mr. Cartwright, he must have told the truth—that there was a deficit amounting to one-third of the interest on the public debt, that there was a deficient harvest, and that the country was not as prosperous as it had been when he had negotiated his loan in 1875. At that time he had been able to give a very flourishing account of the country and of the use that had been made of the money borrowed by the Dominion. In a statement issued by him in London, on the 19th October, 1874, placing the condition of the Dominion before the capitalists of the world, Mr. Cartwright said :—" The whole of the debt has been incurred for legitimate objects of " public utility." * * * * " The indirect advantage from these pub- " lic works has already been found in the remarkable rapidity with which the " commerce and the material prosperity of the Dominion have been developed; " while a substantial increase in the direct returns may fairly be expected from " the improvements now in progress and to follow the steady progress of popu- " lation and trade. * * * * The revenue has shown a continuous " surplus during each year since Confederation, in 1867, although it has in " the interval been charged with much heavy expenditure of an exceptional " kind, such as the outlay connected with the several Fenian attacks on the " country, the acquisition and organization of new territory, and providing an " adequate defensive force for the Dominion. * * * * The eight years " since Confederation, therefore, exhibit an aggregate surplus of Two Million " Four Hundred and Forty-three Thousand One Hundred and Eleven Pounds " (equal to Eleven Millions Eight Hundred and Eighty-nine Thousand Eight " Hundred and Eight Dollars, and not including the sinking fund) which has " been partially applied in the redemption of debt, and partially expend- " ed in new works. The annual payment for sinking fund is included " in the current expenditure, and forms in the aggregate a further sum of " Seven Hundred Thousand Pounds (or Three Millions Four Hundred " and Six Thousand Six Hundred and Sixty-eight Dollars) since Confed- " eration." When the last loan was negotiated, the Finance Minister was unable to say anything so encouraging, but had to admit the existence of a deficit; and when asked what return he expected from the expenditure of former loans, he must have replied that an enormous amount was being expended in constructing a railway between Lake Superior and the Red River, through a country that was altogether unfit for settlement, and where the running of the road when finished would be attended with constant and very heavy loss. The lenders of money in England are very like those who lend money elsewhere. They are very apt to follow it and see what is being done with it. I venture to say there is not a year when a good many of those from whom we borrow, or their representatives, do not come to this country to see what we are doing with the money they have loaned to us. They will learn of the Fort Francis folly, of the large capital being hopelessly sunk in the railway between Lake Superior and the Red River, of the amount lost and locked up in the unfortunate steel rails speculation, of the contract for the Georgian Bay Branch Railway, and of several other unwise expenditures, to say nothing of more equivocal transactions. While I do not blame the Finance Minister for the manner in which he saw fit to issue the loan, I do

blame the Government for having brought the country to the condition in which it now is, and which compels us to borrow on such terms. I will state to the House what the terms really are on which the last loan was obtained. The loan, carrying interest from the first of November, was issued at Ninety-one. There was commission to the agents, One per cent. Then, by an extraordinary provision in the prospectus, the subscribers to the loan were allowed to deduct from the May instalment the six months' interest payable on the first of May. This was a remarkable condition. It was a direct payment of interest out of capital. It would be difficult to conceive anything more objectionable from every point of view than this arrangement. It diminished the amount of capital which the country should receive for the loan; it was a direct payment of interest out of capital, and without being passed through the books in this country, as it ought to have been. The Minister of Finance did not call the attention of Parliament to it; so that there was an absolute concealment from Parliament of a very important condition of the loan. It is unjustifiable that a portion of the principal should be withheld and applied to the payment of interest, as has been done in this case. The effect will be to mystify the Public Accounts, to conceal the true amount of the deficit on the thirtieth of June next; and if this be done Parliament and the country will be misled as to the true state of the public finances by means which can only be characterised as a "cooking" of the Public Accounts. The loan was issued early in November last, at Ninety-one per cent. but carrying interest at Four per cent. per annum on the full amount of its face from the first day of November. It was payable as follows, viz.:—

5	per cent.	on application	8th November.
15	"	on allotment	8th November.
20	"	on 31st January, 1877.	
20	"	on 27th March, 1877.	
20	"	on 25th June, 1877.	
11	"	on 25th July, 1877.	
9	"	discount.	
100			

By the conditions of the loan the subscribers were allowed to withhold the six months' interest payable on 1st of May, out of the instalment due on 25th of May, thus making it a payment of interest out of capital, and diminishing by the amount of such interest and sinking fund the principal sum to be received by the country from the loan. The deductions to be made are—

Discount	9	per cent.
Commission to agents	1	"
Six months' interest due 1st May, withheld	2	"
Sinking fund, agency, &c	½	"
	12½	per cent.

The net proceeds, as nearly as can be ascertained, in the absence of precise information from the Government, would be, loan £2,500,000 sterling, equal to	$12,166,666
Less, for discount, for commission, for interest withheld out of capital, sinking fund, agency, &c., in all 12½ per cent.	1,520,833
	$10,645,833

To which will have to be added the amount received by the Government for interest upon the instalments of the loan paid in between November and May, but which I have not the means of ascertaining. I think it may be safely assumed, however, that the amount the country will receive will not exceed Ten Million Seven Hundred and Fifty Thousand Dollars ($10,750,000), while it will be paying interest, sinking fund, &c., upon the full face of the loan—Twelve Million One Hundred and Sixty-Six Thousand Six Hundred and Sixty-six Dollars ($12,166,666). The interest, sinking fund, &c., upon this sum will amount to about Six Hundred Thousand Dollars ($600,000) a year, and be an additional charge of that amount upon the Consolidated Revenue Fund, which will have to be provided by means of new and increased taxation. I will not detain the House any longer at this late hour; but from what I have stated I think honorable gentlemen will agree with me that prudence in respect to the public expenditure is most necessary; that there is an absolute and pressing necessity for the introduction of the retrenchment which the present Government promised, but has not given to the country.

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SPEECH

ON STEEL RAILS—DELIVERED IN THE SENATE, OTTAWA, ON FRIDAY, APRIL 13TH, 1877.

Upon a motion of the Hon. Mr. Read, on the subject of the Steel Rails,

Hon. Mr. MACPHERSON said:—I am not surprised that the Hon. Secretary of State should manifest considerable feeling on this subject, but he will have to hear a good deal more about the Steel Rails speculation.

Hon. Mr. SCOTT—It was no speculation.

Hon. Mr. MACPHERSON—It was a speculation, and a most unprofitable one to the country, however profitable it may have been to some individuals. The Government manifested very little discretion in purchasing 50,000 tons of rails so long before any of them will be required—in purchasing rails for 550 miles of the Pacific Railway before one mile of it was located or surveyed.

Hon. Mr. SCOTT—10,000 tons went to the Intercolonial Railway.

Hon. Mr. MACPHERSON—That was an after-thought. The money which was applied for the purchase of them has been charged to the Pacific Railway. That was just one of the evils proceeding from this kind of speculation. The Government, finding it had committed a great blunder, assigned 10,000 tons of the rails to Railways in Nova Scotia and New Brunswick, involving an expenditure which would not otherwise have been incurred. If the Government Railways in the Maritime Provinces had remained in the hands of the Provincial authorities, does any one believe that 10,000 tons of steel rails would have been laid upon them?

Hon. Mr. SCOTT—Mr. Brydges reported that they were necessary.

HON. Mr. MACPHERSON—The rails had been bought, and when it was found they could not be used for the purpose for which they were purchased, they were diverted to the railways in the Maritime Provinces. Two years have passed since the Government purchased steel rails for 550 miles of the Pacific Railway, and yet not one mile of the road is in operation. The hon. Senator from Belleville (Mr. Read) has stated enough, with what was previously known, to render a committee of inquiry into this whole matter an absolute necessity. There is not time this session, but it should be undertaken as early as possible after the next meeting of Parliament. If there has been no partiality in the purchase and transportation of these steel rails, there has been a most unfortunate combination of circumstances calculated to excite suspicion against the Government, and it is necessary that the whole transaction should be cleared up. Cooper, Fairman and Co.'s name has again been brought before the notice of the House, now as agents for the

contractors, and they were, no doubt, interested in the contract for transporting the rails. A member of this House was one of the partners in that contract. The independence of Parliament Act does not reach this Chamber; but the honorable Senator from Hamilton should read the opinions expressed by the Minister of Justice upon members of the Senate being in any way engaged in transactions with the Government. The House will remember the attacks that were made upon a member of the Senate who had to discharge the duties of an important office, and who was appointed to this Chamber for the purpose of giving information to the Senate and to the public with respect to the Intercolonial Railway. If the Minister of Justice censured that, what would he not have said if the gentleman from Hamilton had had a lucrative contract with the Government, while holding a seat in this House? I will now bring to the notice of the House the actual cost of this steel rail speculation, so far as I can ascertain it, though I have not by any means all the items before me. It is no easy matter to find the items; some are in the Public Accounts, some in the report of the Minister of Public Works, and a large number, I apprehend, have not yet been brought into the accounts. The sum paid in England on account of the rails was Six Hundred Thousand Eight Hundred Pounds, equal to Two Million Nine Hundred and Twenty-three Thousand Nine Hundred Dollars: estimated freight to Montreal on 10,000 tons, Thirty Thousand Dollars; making a total of Two Million Nine Hundred and Fifty-three Thousand Nine Hundred Dollars, as the cost of the rails delivered in Montreal; the average cost per ton being Fifty-nine Dollars and Eight Cents. There was freight to Vancouver Island, Forty-eight Thousand Six Hundred and Sixty-six Dollars;* inland transport charges and insurance, Two Hundred and Twenty-two Thousand Eight Hundred and Eighty-four Dollars. Then there is the interest on Two Millions Nine Hundred and Fifty-Three Thousand Nine Hundred Dollars at five per cent, for an average period of two years, amounting to Two Hundred and Ninety-five Thousand Three Hundred and Ninety Dollars. I estimate the time at two years because the average will be found to be a great deal more before the rails are used, though it is a little less to-day; but before the cost ceases to bear interest, it will be twice that. The interest added to the other figures I have given, brings the total cost of these rails, at the present time, to Three Millions Five Hundred and Twenty Thousand Eight Hundred and Forty Dollars. Now, these figures are perfectly appalling.

Hon. Mr. Dickie—How much is that per ton?

Hon. Mr. Macpherson—Seventy Dollars and Forty-one Cents per ton. And the country has this enormous quantity of steel rails deteriorating at a rate that I cannot and will not venture to estimate, but which I know will be most serious. I am informed by parties who last autumn purchased steel rails of the very best quality, from the best makers, that they were laid down at Montreal this spring at Thirty-six Dollars per ton.

Hon. Mr. McLelan—I think the hon. gentleman must be in error. I notice the Government have paid at the rate of Forty-eight Dollars per ton this year for iron rails.

Hon. Mr. Macpherson—That is no proof that I am in error.

Hon. Mr. Hope—Who agreed to lay down the best steel rails in Montreal at that rate?

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* I have been given to understand that this item—although it is not so expressed in the return—is included in the amount of Six Hundred Thousand Nine Hundred Pounds paid in England.

Hon. Mr. MACPHERSON—One of the best makers in England.

Hon. Mr. SCOTT said he was informed that the Great Western Railway Company, at the time the Government purchased the 50,000 tons, had paid Eleven Pounds sterling per ton.

Hon. Mr. MACPHERSON—The honourable Senator from Toronto (Mr. McMaster) stated that last year—no doubt for the purpose of sustaining the Government in their great speculation. The Ebbw Vale Company is regarded as a first-class house, and they sold steel rails, deliverable at Prescott this spring, at Seven Pounds Fifteen Shillings (Thirty-seven Dollars and Seventy-one Cents) per ton.

Hon. Mr. SCOTT—Iron rails?

Hon. Mr. MACPHERSON—No; steel rails of the very best quality.

Hon. Mr. CAMPBELL—Steel rails—I have seen the invoice.

Hon. Mr. MACPHERSON—I allow One Dollar and Seventy-one Cents per ton for transport from Montreal to Prescott, and call the cost of the rails at Montreal Thirty-six Dollars per ton.

Hon. Mr. McLELAN said this same company had furnished steel rails for the Intercolonial Railway, and they were the very best that had been laid on that road.

Hon. Mr. SCOTT—The company went into liquidation not long ago.

Hon. Mr. MACPHERSON—They changed from a partnership to a corporation; but the company is one of the largest in England. At no time have they fewer than 7,000 persons in their employment, and no ironmasters in England have a better reputation for furnishing rails of the very best quality than this same company.

Hon. Mr. SCOTT—But their rails are not all of the same quality and pattern?

Hon. Mr. MACPHERSON—The quality of the purchase I refer to was warranted to be the very best. Now, the 50,000 tons purchased by the Government cost Two Million Nine Hundred and Fifty-three Thousand Nine Hundred Dollars; but if they had waited until the present time—and, even now, they only require a small quantity—the rails could have been bought and delivered at Montreal for One Million Eight Hundred Thousand Dollars, showing a loss to the country by the speculation—by the purchase prematurely and imprudently made by the Government—amounting to One Million One Hundred and Fifty-three Thousand Dollars. Adding to this the interest, Two Hundred and Ninety-five Thousand Three Hundred Dollars, and freight to Vancouver Island, Forty-eight Thousand Six Hundred and Sixty-six Dollars, the actual loss to-day will be found to reach One Million Four Hundred and Ninety-seven Thousand Eight Hundred and Sixty-six Dollars, or say One Million and a Half of Dollars. In addition to this, there is the inland freight and insurance, amounting to Two Hundred and Twenty-two Thousand Eight Hundred and Eighty-four Dollars, which was paid before the rails were wanted. This enormous blunder would be a lasting charge upon the consolidated revenue fund of Seventy-five Thousand Dollars a year, at least.

In addition to all this, I understand there is a small army of caretakers and laborers employed about the rails, and the rails are deteriorating every day. Altogether, it is a most serious affair. The proper course for the Government to have pursued would have been to wait until the rails were required, and then to buy them at the market price, whatever it might be. As a matter of fact, had they done this they would have saved One and a half Millions of Dollars to the country. The present Government do not pretend to be more than simple administrators, because they have over and

over again declared that they could not introduce any new legislation to benefit the country in its present state of great depression. In other words, there is nothing in the science of government known to them by which they can by legislation assist the industries and promote the progress of the country. From the information which is being gained from day to day, the steel rail transaction, I fear, is a fair average specimen of the administration of the Government.

MEMORANDUM, SUPPLEMENTAL TO THE FOREGOING SPEECH.

It is difficult, I repeat, to obtain the information necessary to prepare a strictly accurate account of the Steel Rails transaction. The details have to be extracted from several sources, and they are not always given explicitly. Any statement of loss prepared now can, of course, only be approximate; but the ultimate actual loss is pretty certain to exceed any estimate of it that has been presented. The expenditure for Steel Rails and fastenings as nearly as I can ascertain is as follows :—

Paid in England, for 50,000 tons of Steel Rails, as per Parliamentary return, £600,800, (including freight to Canada of 40,000 tons, and to Vancouver Island of 5,000 tons)..	$2,923,900
The freight to Canada on the remaining 5,000 tons, I estimate at..........	15,000
	$2,938,900
Paid on account of inland transport charges, insurance, &c...	222,884
Interest on ascertained payments to 30th June, 1877........	271,365
	$3,433,149

Including inland freight, labour and other charges, which must have been paid since 1st July, 1876, but of which we have not the accounts, the total amount disbursed by the Government must exceed THREE MILLIONS FIVE HUNDRED THOUSAND DOLLARS!

Interest is properly chargeable on all disbursements for materials from the date of payment until they are used in the Railway. I apprehend interest will thus be chargeable on the whole outlay in connection with the steel rail purchase for an average period of four years at least, which, on the amount at present known to have been paid out, will amount to Six Hundred and Ninety Thousand Five Hundred and Thirty-four Dollars.

THE PROFIT AND LOSS ACCOUNT of the Government steel rail speculation may be taken to stand about as follows, viz. :—

Cash paid in England for steel rails and fastenings..........	$2,938,900
The same quantity could have been purchased, deliverable this Spring in Canada, for	1,800,000
Loss on first cost..........	$1,138,900

Interest to 30th June, 1877, on ascertained payments.......	271,365
To this must be added the cost of 4,000 tons laid upon the Truro and Pictou Railway, a line that would not have been steeled had not the rails been on hand..........	235,120
(The Government has taken authority to transfer this Railway to Nova Scotia as a gift to a private Company.)	
Ascertained loss to the end of current fiscal year, 30th June, 1877	**$1,645,385**
Interest is running on at the rate of about $13,500 per month and is increasing—I estimate the further loss by interest before the rails are used at..........................	$419,169

It may be assumed that the country's loss by this unfortunate transaction, before the interest account can be fairly closed, will not be less than Two Millions of Dollars!

The Rails have been distributed as follows:—

5,000 tons to Vancouver Island, where they are not required.

11,000 tons to Nova Scotia, 4,000 tons of which are to be given away to a private Company.

And the remainder are at various places from Kingston to Manitoba.

SPEECH

ON HARBOUR IMPROVEMENTS.—DELIVERED IN THE SENATE, OTTAWA, ON TUESDAY, MARCH 13TH, 1877.

Hon. Mr. MACPHERSON said :—I beg to move that an humble address be presented to His Excellency the Governor General, praying that he will be pleased to lay before this House copies of the reports and estimates of the engineer upon the works proposed to be performed at the following ports or localities, namely :—

Arisaig	N. S.
Annapolis	N. S.
Baxter's Harbour	N. S.
Bayfield	N. S.
Beach Point	P. E. I.
Beaver Cove	N. S.
Bedeque	P. E. I.
Canada Creek	N. S.
Chipman's Brook	N. S.
Cape Traverse	P. E. I.
Christmas Island	N. S.
Cove Head	P. E. I.
Grand Manan	N.B
Hopewell	N.B.
Hall's Harbour	N. S.
Liverpool	N. S.
Lingan	N. S.
Lingan Beach	N. S.
Musquodoboit	N. S.
Malpeque,	P. E. I.
Montague River	P. E. I.
Nail Pond to Egmond Bay	P. E. I.
North Sydney	N. S.
Port Gilbert	N. S.
Pubnico	N. S.
Port Hood	N. S.
Richibucto	N.B.
St. Peter's Bay	P. E. I.
Scott's Bay	N. S.
Truro	N. S.
Victoria Harbour	N. S.
West Arichat	N. S.
Walton	N. S.
West Sandy Cove	N. S.

I have given notice of this motion in consequence of seeing this list of thirty-four harbours which have been surveyed, and of which reports, plans and estimates have been sent to the Department of Public Works. I confess that I feel a good deal of alarm at seeing so great a number of new sites for harbours being reported on by order of the Public Works Department. Harbours are necessarily costly works, and I take it for granted, in the present case, that some of those proposed are mere inlets, to which little trade has resorted heretofore. The cost of improving these harbours will be followed by the establishment of custom houses, light houses, fog horns, and other expenses necessarily attached to harbour service. Considering that works of this kind are paid for out of revenue, and seeing that the revenue shows a deficit, I cannot understand how the Govern-

ment can encourage gentlemen interested, or the localities interested, with hopes that public money can be expended on new works of this kind at present. The surveys were ordered last year, although it was well known to the Government then that the revenue would show a deficit; and in my opinion the action of the Government in ordering the surveys and plans for these new works at that time was most reprehensible. It is the duty of the Government to resist the pressure which is brought to bear to force them into entering upon large and new expenditures, in the circumstances of the country. If ever there was a Government which should be able to resist such pressure it is the present Administration, as they not only have a large majority at their back, but they came into power pledged to economy and retrenchment. The surveys alone of new works in 1876 amounted to Forty-Four Thousand Three Hundred and Thirty-Three Dollars.*

* In reply it was stated by the leader of the Government, in the Senate, that four only of these Harbours would be improved this year. The survey of so many more than can be required in the public interest was exceedingly blameworthy in the Government. The examination of an inlet and a favourable report upon it, by a Government Engineer, is accepted by the people of a locality as a promise of public expenditure, a pledge for a Harbour with all its expensive establishments, from a light-house to a landing-waiter. I fear many of these thirty-four Harbours, and sites for Harbours, were surveyed solely to appease exacting Parliamentary supporters. It would seem that under the leadership of Mr. Mackenzie an overwhelming Parliamentary majority instead of conferring strength and independence upon the Ministry, insuring pure and able administration, is a source of weakness to them, producing selfishness and demoralization among their followers, and leading, it is to be feared, to much reckless and corrupt expenditure of the people's money.

Now that the self styled party of Reform, Purity and Economy is charged with the Government of the country, instead of being guided by the considerations of patriotism, self-denial and self-respect which, from the professions of its members, it was expected would govern them, they really appear to be kept together by no higher motive than that which bands politicians of the baser sort, and which by our neighbours is felicitiously called "the cohesive power of public plunder."

SPEECH

ON THE BILL RELATING TO THE VIOLATIONS OF THE INDEPENDENCE OF PARLIAMENT ACT—DELIVERED IN THE SENATE, OTTAWA, FRIDAY, APRIL 27TH, 1877.

I will give my reasons for objecting to the Bill in its present shape. If it had been made a condition precedent to taking advantage of the provisions of the measure, that gentlemen should vacate their seats, I should be willing to relieve them from the penalties they have incurred. There is, however, a very wide distinction to be drawn between some of the alleged cases and others. Those members of the House of Commons who have unintentionally and unwittingly violated the letter of the Act through the action of a partner or clerk; by selling a small quantity of merchandise to an official of the Government, perhaps not knowing or suspecting at the time that the purchaser was an official, or that the purchase was for the Government; or by printing a Government advertisement in a newspaper, occupy a very different position from those who knowingly offended. It is alleged that gentlemen occupying the highest positions in the other House, and in the country, hold contracts with the Government, some of them being, it is alleged, Cabinet Ministers. There is a vast difference between these, who, from the positions they hold, are able to enrich themselves at the expense of the country by many thousands of dollars, and the men who have unknowingly violated the letter of the Independence of Parliament Act. I maintain that the Senate should not relieve, in any way whatever, those who are guilty knowingly and corruptly. If it be true, as is alleged, that high officials are Government contractors, drawing large sums of money from the public treasury, under contracts which it may be said they made with themselves, they are guilty of most scandalous conduct, and I contend Parliament should not relieve them of the legal penalties which attach to their conduct. As I do not see that on this the last day of the session the Bill can be amended in such a way as to relieve the innocent and leave the guilty to punishment, I shall be obliged to record my vote against the Bill.

CHANGE OF OFFICES AT OTTAWA.

N. B.—While these sheets have been passing through the press an unexpected shuffle of Cabinet offices has taken place at Ottawa, viz.: Mr. Laflamme to be Minister of Justice, *vice* Mr. Blake, who has become President of the Council, *vice* Mr. Cauchon, who has become Minister of Internal Revenue, *vice* Mr. Laflamme. This exchange of portfolios cannot fail, for obvious reasons, to be deeply disappointing to the people of nearly the whole Dominion. In Ontario, I think, it is calculated to produce positive uneasiness, as indicating that the influence of Messrs. Mackenzie and Blake in the Government is on the wane—the influence of the two Ministers in whom the friends of the Government in this Province placed their sole reliance. The changes are too important to permit it to be supposed that they are wholly due to the convenience, or choice, or ambition, of individual Ministers. I shall not impute to Mr. Blake the taking from personal motives only of a step which he must have known would derogate very seriously from the character and dignity of the present Government. If the labor of Mr. Blake's late office was more than he could perform without imperilling his health, he might have appointed additional assistants, and in that way have made his own work comparatively light and easy. It would have been better in the interest of the country if Mr. Blake had done this instead of exchanging an exalted office for one of little or no responsibility—a mere sinecure. The Minister of Justice is charged with higher moral responsibilities than any other Minister of the Crown in Canada. Upon him devolves the maintaining, and when necessary the amending, of our commercial and criminal law; to him Parliament looks for guidance in its deliberations on all Constitutional and Legal questions: upon his recommendation all the Judges of the Dominion are appointed; and it is upon his advice that the highest prerogative—the prerogative of mercy—is exercised by the Crown.

It is this office, with all its important and lofty attributes, that Mr. Blake has vacated in favour of Mr. Laflamme—an act which has filled the minds of the people of Ontario with amazement. No one desires that Mr. Blake should overtask his strength in the public service; but it is difficult to believe that he could not have assigned much of the toil of his late office to competent assistants. While he has divested himself technically of the responsi-




bility of the Ministry of Justice, Mr. Blake must be perfectly well aware that the people, especially the people of Ontario, will not be willing under all the circumstances to relieve him of moral responsibility to them for the administrative acts of his successor, Mr. Laflamme, for whose appointment Mr. Blake must be held responsible.

TORONTO, JUNE, 1877.





ERRATA.

On page 51, the Miscellaneous Items of Customs Expenditure are not given in the table, but are all included in the totals.

On page 55, "Total Increase of Debt in 1874, 1875, and 1876," for $31,471,255 *read* $31,461,255.

BUDGET SPEECH,

DELIVERED IN THE HOUSE OF COMMONS OF CANADA, ON TUESDAY, THE 1ST APRIL, 1873,

BY

THE HON. S. L. TILLEY, C. B.,

MINISTER OF FINANCE.

Hon. Mr. TILLEY said: Mr. Speaker.—The course that I propose to take is to make my statement while you, Sir, are in the chair, and I think that course was suggested and approved by leading members of the Opposition last year, when my predecessor made his last statement.

Perhaps I shall be permitted in the first place, before entering upon the statement which I am now about to submit, to offer a few personal remarks. I may say with truth that there is not an honorable member on the floor of the House, who regrets more sincerely than I do, that the statement which I am about to submit to you, is not to be submitted by the distinguished and venerable statesman who had that privilege for the last three years. The Leader of the Government, my colleagues, and my predecessor himself, know right well that, when he intimated to the Government and to me his intention to retire from public life, everything that I could say, and every argument that I could present, to induce him to remain with us, was made use of. I did so for two reasons, first, because I felt that it was in the interest of the country that he should retain his position in the administration of its finances, as he had been most successful, securing the confidence of the people of the country, and of a large proportion of the members of this House. (Cheers.) Secondly, from a personal and less pertinent reason. I felt that it was desirable that he should continue to occupy the position of Finance Minister because, if he retired from that position, the burden would fall

upon my shoulders, which I felt were less able to bear it, and I felt also that I could less ably advocate the views and opinions of the Government in Parliament.

I felt also that following so able a statesman, and at so short a notice, I was placed in a very unfavorable position compared with that which I might have occupied under other circumstances.

For these reasons, therefore, I did all I possibly could to indu. e him to remain, and it was only when I was told that he had been informed by his medical advisers that. unless he retired from active public life, the years of his life would be shortened, that I ceased to further urge upon him the arguments that I had made use of.

Leaving this point, I will now turn to the grave questions which it is my duty to present to the House to-day. It is usual on these occasions to take into consideration a period of three years; the preceding year, the current year, and the year that is to come. I desire, however, to-day, to extend my enquiries farther than has been customary, and to go over the first five years of confederation. I do so because there are in the House a good many new members—fully a third of the faces which I see being new faces—who have not had an opportunity of looking into and investigating the condition of the affairs of the Dominion during the last five years, and because, also, there are many old members who have not had the same opportunity as members of the Government and leading members of the Opposition have had, of enquiring into and investigating the financial condition ot the Dominion during that period. I do so, sir, because whatever may be said on this subject outside of Parliament, through the press, by the Government or by the leaders of the Opposition, with reference to our financial condition in the past, still there may be some question as to the correctness or accuracy of these statements so put forth, as it may naturally be considered that from whatever side these statements were made, the gentleman or the press who made them were influenced by party motives. But here, sir, on the floor of this House, in the presence of the leaders of the Opposition, who have all the facts and figures before them and who are perfectly cognizant of all those facts, I feel that the statements made here cannot be gainsayed, and that the country will therefore be in a position to accept these statements as trustworthy and to be depended upon.

Looking at the history of the country during the last five years, in reference to its trade and commerce, its navigation, its banking institutions, its tonnage and its exports and imports, I find that from every aspect in which I view it, I rise from the inquiry feeling the greatest possible encouragement, not only with

reference to the past but with reference to the present and to the future. (Loud cheers.)

And now, with regard to the last five years, let me call the attention of the House to a few facts which are calculated to show the material progress of the Dominion during that period. First, let me draw your attention to the marvellous and wonderful increase in the capital invested in the banking institutions of the country during that period; and next to the extraordinary increase in the deposits in the banks of the Dominion. Nothing could show more satisfactorily the increase in the wealth of our people than the facts to which I am about to direct attention. Let me first refer to the paid up capital of the Banks for 1867, and as I do not desire to weary the House, I will not give the figures for the intermediate period. The paid up capital of the banks in February, 1867, was $28,692,980; and at the same period in 1873, it was $49,189,969; the deposits in 1867 were $26,103,004; and in 1873, $59,560,003; thus showing a net increase in the ordinary banks of the country, including Savings Banks, of nearly $37,000,000 within the space of five years; and an increase of paid up capital of the banks in Ontario and Quebec alone, (the banks in the other Provinces not being included, as some of them have not sent in their returns) of $20,497,000.

This fact at once shows the wonderful progress of the Dominion, but I desire also to call attention to the steady progress made in the value of the imports and the exports of the Dominion since the commencement of the Union. In 1868, the exports were $57,567,888; in 1869, $60,474,781; in 1870, $73,573,490; in 1871, $74,173,618; in 1872, $82,639,663; and in the first half of the current year, $53,488,968. Now we come to the value of goods entered for consumption during the same period. I take the goods entered for consumption, as the value of goods imported is not an accurate test. The value of the goods entered for consumption in 1868 was $71,985,306, and in 1869, $67,402,170. This shows a decrease of four million dollars and upwards, and I may perhaps be allowed to pause and explain the cause. During the first year of Confederation different rates of duty prevailed in the different Provinces, and it was, of course, natural that all those who had goods in bond, and who were not at all certain of the taxation which Parliament would impose—in anticipation of an increased rate of taxation, should withdraw from bond a larger amount of goods than they required for actual consumption, and thus the revenue of the first year was increased at the expense of the second. In 1870 the value of goods entered for consumption was $71,237,603; in 1871, $86,947,482; in 1872, $107,709,116, and for the first half of the current year, $72,811,668. Thus making the exports and imports for the first half of the current year $126,330,636, as against $129,553,194 for the whole of the first year of Confederation, or a difference of about $3,000,-

000. This is another evidence of the steady and progressive prosperity of the country.

We now come to another statement, and I desire to make it here, though I shall refer to it again at a later period. I would call attention to the rate of duties collected during the first years of the union. The percentage in 1867, on goods entered for consumption, was twelve and twenty-five hundreths, which was increased in the next year to twelve and thirty-one hundredths. In the third year, when Parliament again imposed additional duties, it was increased to thirteen and twenty-eight hundredths, and in the next year, it was raised to thirteen and sixty-two hundredths. In the following year, however, it went down to twelve and eleven hundredths; and for the first half of the current year, on $72,841,668, of goods entered for consumption, the revenue was $6,903,010, or nine and forty-seven hundredths per cent. This has arisen from the reduction of taxation which took place in 1871, and from the still further reduction occasioned last year by the withdrawal of the duties on tea and coffee. These are some of the facts which speak of the progress and prosperity of the country.

I would now, for a few moments, call your attention to the financial position of the Dominion. I have no doubt that every honourable member who has examined the public accounts, will have read the statements shewing the debt of the Dominion, and the expenditures on capital account, with the greatest satisfaction, for they shew that during the last five years there has been paid out of surplus revenue, over and above the ordinary charges on the consolidated revenue fund, and contributed towards the construction of public works that were chargeable to capital, a sum of $9,522,022.

I will now state the whole increase in the public debt since 1867. In 1867 the net debt was $75,728,641, and in 1872 it was $28,187,072, making a net increase of the debt $6,458,431. Now, sir, what, have we had in return for this increase. We find that the increase of the debt of the Dominion is just the same as the increase in population during the period mentioned, and no more; that the net debt in 1872, as compared with the population shown by the census returns, is just the same in proportion to the population as it was in 1867 And, what have we done in that period? We have expended half the money necessary for the construction of the Intercolonial Railway, and half of that great work has been completed. We have purchased the North West Territory, for which we paid three hundred thousand pounds sterling, and we have paid another three hundred thousand pounds sterling for opening up the country and establishing a Government; (cheers) we have expended a million and a half of dollars for public works chargeable against capital—works that it was understood by this House should be chargeable against capital; we have expended

$480,000 for the survey of the Pacific Railway, which, however, will be paid back by the company out of its subsidy, and, we have assumed the debt of the Province of British Columbia, amounting to $1,666,200; and this is represented by a population equal in proportion to the populations with which the other provinces came into the Dominion. But after doing all this, after we have half constructed the Intercolonial Railway, spent three hundred thousand pounds sterling for the purchase of the North West, another three hundred thousand pounds for the establishment of Government there; a million and a half of dollars on public works chargeable to capital; $480,000 for the Pacific Railway, and assumed the debt of British Columbia, the debt of the Dominion to-day is not one cent greater in proportion to the population than it was five years ago. (Cheers.)

The interest may be stated in precisely the same way. The interest is just about the same as in 1867, being one dollar and twenty-two cents per head of the population. And now, let us see what has been done during the existence of this state of things; and here let me call the attention of the House to one or two extraordinary expenditures during that period. We had two Fenian raids, which cost us a very large sum of money; three or four hundred thousand dollars were expended in taking the census; but notwithstanding these extra expenditures, the net surplus was over nine millions and a half. Let us see what the taxation of the people has been. I wish here to call the attention of the House to the fact that the taxation to which I refer is for customs, excise, and stamps. I do not include the revenue from the post office and from railroads, because if any of the people were travelling on the Great Western or the Grand Trunk they would expect to pay for their passages, and so would people who travelled on the Government railways, I therefore say that the taxation is comprised of customs, excise and stamp duties. These amounted in the five years to $69,937,-057 which would give an average taxation of $13,987,411 per annum, or a tax of $4.09 per head upon the whole population. And here I may say, and I appeal to my hon. friends opposite, who have had a great deal more experience than I have, because they sat in the old Parliament of Canada before the Maritime Provinces were represented here, that under the head of capital in former days, and during the first one or two years of Confederation, many items were charged against capital which have since been taken from capital account and charged against income, whereas we now find that there are very few items except those for the enlargement of our canals and the construction of railways, which are not now charged against income, but yet, notwithstanding this, when we deduct the surplus, we find that the whole expenditure for the past five years averaged only $3.54 per head of the population of this Dominion, and here I may mention, and I do not think that hon. members

can gainsay the fact, no matter how much some of them may have differed as to the nature of the taxation, or its distribution, that so far as the people are concerned it has not been felt as generally oppressive. Let us for a moment consider the experience of the past. While we have had an average tariff of 12¾ per cent. during the five years, we have paid all interest and expenditures properly chargeable to income, besides large sums for lighthouses, improvement of navigation and other public works, and $1,800,000 as a sinking fund, towards redemption of the debt, out of income, and have had left a sum over and above which would have enabled the Government to pay interest on a debt of thirty millions more than it now has.

I now wish to make one or two observations in respect to the receipts and expenditures of the last year. In the statement made by my predecessor on the 30th of April last it was estimated that the revenue from customs would be $12,500,000, and various other estimates were made in reference to excise, post office and public works. I hold in my hand a statement of the net receipts from customs, excise and stamps, which shows that instead of the estimated 12½ millions the revenue from customs reached $12,787,982, and this I wish it to be remembered was after a refund of $200,000, on tea and coffee, had been made under the authority of Parliament, and the revenue from excise was $4,735,651. This is a very considerable increase, and may be explained in this way. In April last it was supposed that an additional excise duty would be imposed, and just before the financial statement was made by my predecessor, a large quantity of excisable goods was taken out of bond, and therefore a large amount of revenue was gained last year which this year has been lost. We then come to public works, which realized $11,729 over the estimate; and there was an excess from the post office of $92,374; and from miscellaneous $95,157; there was, however, a deficiency in the stamp duties of $8,081, making a total excess over and above the estimate of $664,813. We find also that while there was an excess of revenue the expenditure did not come up to the estimates. This has been the case every year. In public works there has always been an excess of estimate over expenditure, and last year it amounted to $654,852. All these estimates are made sufficiently large to cover all that can be required, and then delays very frequently occur in obtaining the titles of lands on which public buildings are to be erected, and there is generally an amount under that item which it is found impossible to expend within the time.

Now, I wish to call the attention of the House to a few more particulars in which there has been a reduction. Under the head of Civil Government there has been a reduction of $25,492. I know that there is a general impression throughout the country that the Government has been extravagant, in reference to ex-

penditure under this head, but I think if there is one expenditure more than another, that the Government can well defend it is this item of Civil Service. I recently asked the Auditor to prepare me a statement of the increase during the five years under this head, charging against 1867-68, several expenditures that were not formerly charged against the Civil Service. For instance in the department of Public Works, several engineers were employed in outside service, and the works to which they were attached were charged with their services. These, however, are now charged to the Department. Then, again the Adjutant General's branch of the Militia Department in 1867, was charged against militia expenditures, whereas it is now charged to the Civil Service. At that time a system prevailed in the Post Office service, by which large amounts of printing were obtained and were executed under the direction of the different Postmasters throughout the Dominion, while under existing arrangements, a very large portion of the blank forms and returns is printed by the contractor, and the accounts appear in the contingencies of the department. Then there are the new departments—the Queen's Printer's and the Stationery Department, both of which branches, although adding to the expenses of the Civil Service list have been instrumental in saving large sums of money to the country. And let me say in addition that under the Post Office Department we have been establishing a system of savings banks in all parts of the country involving the receipt of three or four millions of dollars, and requiring additional clerks in the Department here, and additional post offices all over the country. Taking all these things into consideration and deducting the salaries of the new Governors for the two new Provinces established since 1867; and notwithstanding the increased work of the Post Office Department, which alone had increased the expenditure by $27,000 a year, the difference between the expenditure under the Civil Service in 1867 and 1872, is but $11,000. How has this been accomplished? The fact that under the Civil Service Act $50 a year was added to the salaries of the clerks would alone bring the sum up to the present amount, but by the reduction made in the contingent expenses of the Departments the sum has been reduced by an amount equivalent to the addition to the salaries of the clerks. Then there have been also the following reductions:

Justice	$13,153
Penitentiaries	89,520
Legislation	23,500
Militia	95,333
Fisheries	25,331
Light and Coast Service	14,189
Public Works	654,852

(Many of these works are carried over into the current year, and make the expenditure heavier than it would otherwise be.)

Miscellaneous	$167,354
Customs	13,666
Excise	57,367
Public Works, Railways and Canals	33,703

On the other side there was an increased expenditure last year on account of the subsidies to the new Provinces, British Columbia and Manitoba, which the House will recollect; and there were also the increased subsidies under the new census, to Nova Scotia and New Brunswick, none of which were contained in the statement of my honourable friend last year and had to be added to the estimates then submitted. Then there was an increase in the charges of the year of $199,704, for the management of the debt. I may say that this arose from the fact that the Bank of Montreal had nearly two years payment in that year, under the old arrangement; and there was a large expenditure for engraving, striking off and publishing of the Dominion notes under the Act of my predecessor. And then there were the payments to superannuated officers, amounting to $38,842. But, notwithstanding the refunding of the $200,000 on tea and coffee, the Revenue last year amounted to $20,714,813 against an expenditure of $17,589,468, leaving a surplus of $3,125,345, or, adding a sinking fund of $470,606, a total surplus of $3,595,951.

I come now to a more interesting point, perhaps, and that is to the operations of the present year. It will be remembered when my predecessor made his statement last year, he estimated the income at about $20,635,000, and the expenditure at about $19,630,000, leaving a balance of $1,000,000. But he remarked, and very properly, that on that occasion as on all others, supplementary estimates would be brought down, and when that supplementary estimate was brought down, it was found that the sum voted by Parliament at the close of the session against income was $400,000, making the total estimated expenditure, $20,030,000, as against an estimated income of $20,635,000. I recollect that when my predecessor subsequently came to Parliament and asked that resolutions should pass for the reduction of the duty on tea and coffee, Congress having decided upon the removal of the duty on these articles, it was stated by hon. gentlemen opposite that we were simply following the American example. (Hear, hear, from Mr. Holton.) But we must necessarily, in dealing with the question of tariffs, have some reference to the laws of the neighbouring Republic, in order to arrange wisely for the purpose of securing a revenue and preventing illicit trade. (Hear, hear.) When my hon. friend brought in those resolutions, he stated that if they were carried there might be a

deficiency of something like $600,000, because the revenue obtained in 1870-71 on tea and coffee was nearly $1,200,000. He then added that the expenditure might not reach the estimate, but still, for various reasons, he did not feel himself justified in asking for the imposition of any additional duties until they had the experience of at least nine months, and until Parliament met again, in order to ascertain whether or not additional duties would be necessary. What is the position in which we find matters to-day? We find that in all probability, notwithstanding the reduction or the removal of the duty on tea and coffee, which amounted in 1870-71 to $1,200,000, there is every prospect that the revenue from Customs will reach, at the close of this year, the sum estimated by my predecessor before that duty was removed. (Cheers.) In the estimate that is made of the duty that will be derived from customs this year, we place the amount at $12,500,000, just the sum at which my predecessor estimated it before the duty was removed. Let us see whether we are warranted in this conclusion. The receipts up to to-day from customs are $9,400,000, add one third to that, viz., $3,133,333 for the remaining three months, and they are the three best months of the year, and it amounts to $12,533,333. I think we are, therefore, safe in estimating the revenue from customs at twelve and a half millions. The revenue from excise was estimated at $4,625,000, we now suppose we will receive $4,550,000, a reduction in the estimate arising from the cause to which I have referred, that in the previous year a very large amount of duties (about $200,000) on goods taken out of bond in expectation of an increase of duty, went to the credit of the previous year, and reduced the amount of the current year. Up to the present time we have received $3,358,000, add one third for three months yet to come, and we have $4,476,666. We then come to the Post Office, and find that our estlmate was $700,000. The revenue up to the present date is $546,000, add one-third and it will make $728,000, still the Department estimate it at $720,000 for the current year. Then for Railroads, Canals and Public Works, the estimate last year was $1,610,000, and probable receipts $1,400,000 or $200,000 less than the estimate.

Hon. Mr. MACKENZIE—Are these gross receipts?

Hon. Mr. TILLEY—They are. The difference arose from the fact that a sum was asked for in connection with these works supposing that the Intercolonial Railway would be open earlier, and, of course, the income was calculated on the same basis. While the receipts were less the expenditure would be less.

But sir, the result is that notwithstanding the statement of my honorable predecessor, that there might be a deficiency, supposing the whole expenditure took place for public works of $600,000, it is found that, notwithstanding the supplementary

estimate now before the House, covering an expenditure against income of $200,000, that the expenditure for all purposes during the year will reach $19,600,000, and instead of leaving a deficiency, after the reduced expenditure of $165,000 for the current year, it is estimated that the surplus will be $765,000. (Hear hear.)

I may say that in the estimated reduction of the expenditure, there are two or three items by which that reduction is covered, and two of these have been carried over in the estimates of the next year. There will be a reduction of $400,000 for public works, then the Militia expenditure will be $93,000 short of what was voted, and in the Census Department, the expenditure will be $130,000 less than the sum voted; these reductions bring the expenditure down to the sum named—$19,600,000.

We now come to the expenditure of the coming year. It will be seen by the estimates that it is proposed to ask the House for a total expenditure of $31,008,423.

Hon. Mr. HOLTON—Does that include the amount authorized by statute?

Hon. Mr. TILLEY—It includes the expenditures authorized by statute for construction of public works and all other charges. Of this sum $9,974,240 will be chargeable to capital; railroads (Intercolonial), $4,335,240; canals, $5,277,000; public buildings, including the library and grounds, $362,000; making a total of $9,974,240; also deduct from this expenditure $93,000 in payment of debt; this leaves to be provided for during the coming year, out of income, $20,941,183.

This is in excess of last year, which was, as I have stated, $19,600,000, and is increased in part in the following manner: Interest on debt, $404,398, Intercolonial loan, which will have to be put in the market for the completion of that Railway. Then we have added to the expenditure, under the head of Geolo ical Survey, Meteorological Observatories, &c., $26,792. This latter is for the purpose of providing that most important information for all parties who are concerned in the navigation of the Dominion. (Hear, hear.) Last year the Minister of Marine and Fisheries brought this matter up, and the Government feeling the great importance of the subject, asked Parliament for a vote of $10,000, but that sum was found inadequate. The Government have in the past five years expended large sums of money for the construction of lighthouses and improving the

navigation generally, thus reducing insurance and increasing the value of property shipped from this country, and following out the same policy, they will ask the House for an additional appropriation of $26,792 for this service for next year.

Then we come to Penitentiaries. Under this head there will be found an increase of $91,672. This is principally connected with the expenditure for the new Penitentiary in the Province of Quebec, in the erection of buildings, salaries, &c., Under the head "Miscellaneous," there is an increase of $111,-736. Now under this head there will be found this year $144.000 in payment of the third instalment to the Imperial Government for arms and ammunition purchased from them at the time the troops, or a large portion of them, were removed from Canada. That appeared under the head of Militia formerly, but is now under "Miscellaneous." There is also an increase in the boundary survey. Last year the appropriation was $50,000, and from the report of the officers in charge, it is now estimated that $120,000 will be required for next year.

I will now refer to the expense for the maintenance of Public Works. In this there is an increase of $588,669, being principaly in the maintenance of the Railways and Canals—a small portion of it, increase of wages and salaries to officers in connection with the canals and railways, but the greater part of it is owing to the extended mileage to be opened for traffic on the Intercolonial Railway, and the payment of the running expenses, salaries of officers, &c.

Then in the Post Office, we find an increase of $304,000, and I desire to make a few observations on this item. A system has prevailed up to the present time, with reference to the mode of dealing with the Post Office Department, varying from that of all other departments of the service. In the other departments the monies received have been deposited to the credit of the Receiver General. Not so with the Post Office Department. In the Post Offices in Toronto, London, Montreal, Quebec, and, until last year, the Post Offices in Halifax and St. John, they collected the revenue, paid the postmasters and officers out of it, and simply remitted the balance. It has been considered desirable, inasmuch as at this time, these postmasters have large powers under the money order system, that they should remit their receipts daily. It has been considered desirable in the interests of the public, and the interests of the officers themselves, that this course should be taken. It is but right that this Department should be placed on precisely the same footing as all the other Departments, and this increase, to a very great extent, or upwards of $200,000 of it, arise from the necessity of paying the salaries of postmasters and clerks at Toronto, London, Montreal, and other large post offices; therefore the increase is

more nominal than real, and the estimated revenue of the post offices will of course be increased in about the same porportion. Looking at the progress that has been made, the work that is performed, and the facilities given to the public, in connection with this department, the increased expenditure for that service appears to be fully justified. I hold in my hand a statement by the Postmaster General, showing the wonderful increase in the business during the last five years:

	1868.	1869.	1870.	1871.	1872.
No. of Post Offices	3,638	3,756	3,820	3,943	4,135
Miles annually travelled by mail	10,622,216	11,261.897	11,695,726	11,992,898	12,548,389
No. of letters by post in the year	18,100,000	21,920,000	24,500,000	27,050,000	30,600,000
No. of newspapers by post in the year	18,860,000	18,700,000	20,150,000	22,250,000	24,250,000
No. of registered letters posted in the year	704,000	850,000	1,000,000	1,100,000	1,277,000
Amount of postal revenue	$1,024,710	$,973,056	$1,010,767	$1,079,767	$1,193,062
Amount of Expenditures	$1,053,570	$1,079,828	$1,155,261	$1,271,006	$1,369,163
Amount of Money Order issues	$3,342,574	$3,551,552	$3,898,747	$4,537,902	$5,123,551
Amount of Post Office Savings Banks of Ontario and Quebec		$856,814	$1,588,848	$2,497,259	$3,096,500

Now, I come to some of the proposed reductions of next year. Under the head of Ocean and River Steam Service will be found a sum of $90,516. This is under the new contract with Sir Hugh Allan. After conversation with the Postmaster General on this subject, I think I am justified in saying that it is hoped that in a very short time the receipts from that service will be equal to, if not in excess of the sum which it is proposed to pay under the contract. (Cheers.) There has been a considerable increase in the last year or two in the number of the letters transmitted by that line, and it has arisen from the fact that the steamers of the Cunard Line do not now carry the mails, and the other steamers sailing to and from United States ports, carrying mails, do not make the passage as rapidly as those of the Allan Line. (Hear, hear.) The result is that parties in Europe communicating with Western States select the Allan Line as their letters reach their destination by that line earlier than by any other.

And now with reference to the Militia Department. It

will appear by the estimates before the House as if there would be a reduction of $653,887, as compared with the estimates of the current year, but fairly there should be placed against that $144,000 that was before charged against Militia. being the third instalment for arms to which I have referred, as now chargeable under the head of "Miscellaneous." There should also be deducted from it $93,000, which it is estimated will not be expended this year. The difference therefore will be about $426,000 of a reduction in the expenditure under the head of Militia. Then with reference to the Fisheries, there is a reduction of $61,900 under this head. This was an expenditure in the current year for the support of the marine police, and of the vessels that were to look after and protect our fisheries from the encroachmemt of American fishing vessels, and no longer required under the Washington Treaty arrangement.

Now, the question arises, how is the Government to obtain the means of paying for this increased expenditure. It was intimated last session, that after having made a reduction of $1,200,000 of duties, the Government would probably have to ask the House this session for increased taxation in some direction. And I can quite understand, sir, that hon. members and the country generally would not be disappointed if the Government were to declare on the present occasion that such was their intention ; but after having surveyed the whole matter carefully, and looked into it with a most rigid scrutiny, they have arrived at the conclusion that it is not wise nor is it necessary to ask Parliament this session to impose any additional taxation. (Loud cheers.)

I know it may be asked, are the Government not prepared to make some readjustment of the tariff, and my answer is, that the Government will not, during the present session propose to touch the tariff in any particular. (Loud cheers.) There are I admit some few interests in the country, in relation to which if the tariff were opened at all, the Government would feel justified in asking, and would feel it their duty to ask for some readjustment, but under the peculiar circumstances in which we are placed, and with the certainty almost, looking at the increased expenditure of the next year, that some readjustment must take place next session, the Government have concluded to make no present change, inasmuch as they believe that they will have means amply sufficient to meet all the requirements of the country. (Cheers.) Their desire is to tamper with the tariff as little as possible unless some radical changes are found necessary in order that the people of the country may understand that it has a real permanency of character. Now, let us see whether or not we are justified in arriving at the conclusions at which we have arrived as to the means at our disposal being ample for the public service. It is estimated that the revenue from customs during the

ensuing year will be $12,500,000. I know that honorable gentle men opposite may say your estimate is excessive, as it is supposed that during the past autumn the imports were largely in excess of what they ought to have been; and that there are now lying on the shelves of the warehouses, goods unsold and unconsumed, that will come into competition and take the place of others, that under different circumstances would be imported in the following season; But after a most careful examination of the whole matter I have arrived at a different conclusion and though I admit the excessive importation during the past autumn, I believe there is no good ground for uneasiness in connection with this matter. Let us for a moment look back to the history of the past five or six years and it will be found that during the first five years of Confederation there appears to have been an excess of imports over and and above exports of $60,000,000 or $12,000,000 a year. I know it is very natural for persons looking at this subject cursorily to suppose that this cannot but lead to financial embarrassment, but let us examine into the matter. Here we have something like $12,000,000 a year excess of imports over exports. Add to that the interest on the debt of the Dominion payable in London $4,000,000 more, and we have $16,000,000 a year to be provided for which our exports do not appear to cover. But if we look into the matter more carefully we will arrive at the conclusion, and the just conclusion, that there are no good grounds for apprehension. Of course the matter can only be approximately estimated, but I have taken some pains in the matter and taking one city in the Dominion as an illustration, I find that in the case of the City of St. John, the city I have the honor of representing in this House, from a very careful examination made by the President of the Board of Trade it appears that the return freights from that city amount to $2,000,000 dollars a year, and if that be the case in the city of St. John, we may fairly estimate that from $5,000,000 to $6,000,000 of profit from freights are received every year, by which the surplus as between imports and exports is very materially reduced. If we go further and take into consideration the expenses incurred in the shipping of the produce of the Dominion, which amounts to $70,000,000 or $80,000,000 a year, for which disbursements bills of exchange are drawn, we shall find that these two items alone are sufficient to make up the difference.

Let us now come to the question as to whether our estimate of $12,500,000 from Customs duties is likely to be realized or not. Our estimate for the present year is $12,500,000 and why should we not have as much in the ensuing year? I have in my hand the returns of revenue collected for the first eight months of the current year, and I have examined it very carefully to ascertain whether we can gather from it that there was an excessive importation last year, upon which duty has already been paid, and that any considerable portion of

these goods have not been sold, and are still unconsumed, and what do I find: I find a reduction of $824,757, during the eight months, $751,702 of which was on tea and coffee. On the other side I find a total increase of $932,988, shewing a net increase of $108,231. What are the items on which this increase has occurred? The increased amount on silk and satins, on jewellery and on other articles coming under the fifteen per cent head, is $370,000. This increase is not in excess of the increase on other goods, only taken out of bond when required for consumption.

Mr. MACKENZIE—Has the hon gentleman a statement for the last two months as compared with the same two months of the last year.

Hon. Mr. TILLEY—Yes, I have, and to my surprise it shows an increase. I fully expect that in the next three months there will be a reduction, and my estimate has been made upon that expectation.

Hon. Mr. MACKENZIE—I meant February and March.

Hon. Mr. TILLEY—Yes, and I was surprised to find an increase. We have an increase on the amount of sugar entered for consumption of over $370,000 in the eight months I have mentioned as compared with the previous corresponding eight months. I desire to call the attention of the House to this fact, because it is very important and significant, as we all know perfectly well as previously stated, that merchants dealing in sugar and spirits on a large scale do not pay duty unless these articles are required for consumption. On fancy goods the duty, as a rule, is paid when imported, but this is not the case with sugar.

Hon. Mr. MACKENZIE—It is when for the refinery.

Hon. Mr. TILLEY—That may be, but this is to a large extent refined sugar imported. Then we come to the duty paid on brandy, wines and spirits, and here we find an increase of $72,000, and these articles also are not taken out unless for consumption. Then we find on goods paying fifteen per cent an increase of $386,000, while the increase on sugar and wines and spirits amounts to $450,000, and from this I think we may fairly infer that there is a steady and very important increase in the consumption of every description of article of consumption in the country, and that the importations, though they may be less on a few articles, will altogether fully equal what they have been hitherto, so that we may fairly expect from Customs an amount equal to that received in the present year.

We now come to the item of Excise, and it is estimated by the Department that the revenue will be $4,725,000,

a little in excess of the estimate of the present year, because there has this year been a loss for the reasons to which I have already referred. From stamps I expect $195,000; from Post Office $720,000 up to $970,000; arising in the manner I have described; from Railroads, Canals, Dawson Route, and all the other Public Works, $2,250,000, which is only $150,000 or $160,000 more than the estimated expenditure for those works. Thus while we have added to the proposed expenditure $583,000; there is also a considerable increase in the estimated income, and it may be that the whole of estimated expenditure may not be necessary. $250,000 is for the purpose of working and running a railway from Riviere du Loup down the St. Lawrence, and it may be that some arrangements may be made with the Grand Trunk, if considered desirable, by which the expenditure may not be necessary. Supposing the Government work it, we expect to get an equal revenue from the expenditure asked. As to miscellaneous we place it this year at $1,100,000. During the year the whole of the Intercolonial loan cannot be used, and we ought to get $100,000 interest on the balance not expended during the year.

On the whole if our estimates be based on correct principles, we will have a revenue of $21,740,000, against an estimated expenditure of $20,826,849, or a surplus of $913,151. Of course there will be supplementary estimates, and other propositions which may cover a large portion of this estimated surplus, but the Government feel that they are not in a position requiring them to ask additional taxation.

Now, having dealt with this point, I trust the House will pardon me for a few moments if I refer to the future with reference to our liabilities and engagements, and our prospects of meeting those liabilities. In doing so I must again refer to the past, and I will do it in a very few words. We have an annual surplus, after meeting all engagements and providing the necessary sinking fund, sufficient to pay the interest on a debt of $30,000,000 more than the debt now is. We have in the present year a surplus, without taking into account the sinking fund, amounting to something like three quarters of a million. We are, however, entering upon new and increased engagements, involving a very large sum of money. We are entering upon works—we have already done so—which will require a large increase of our debt. We have $10,000,000 to expend on the Intercolonial Railway. We have $30,000,000 for the Canadian Pacific, and the canal system that has been accepted by the Government will involve an expenditure of at least $20,000,000. These are serious matters, inasmuch as they add $60,000,000 to our existing debt. Let us now see what is the annual charge involved in this matter. In the first place we have available the Imperial guarantee for

£2,500,000 sterling given to us in lieu of the Fenian claims. Then we have a guarantee of £1,500,000 for the construction of the Intercolonial Railway. We have also a guarantee of £300,000 for the North West Territories, and I may state to the House that the Imperial Government has assented to the transfer of the fortifications guarantee of £1,100,000 to be expended in the enlargement and construction of our canals, and in the construction of the Pacific Railway. (Cheers.) Thus we have a total amount guaranteed of £5,400,000, or $26,000,000, which we can obtain at an interest of four per cent. On that item alone we have, therefore, an annual charge of $1,040,000, and on the $34,000,000 remaining, the annual charge, at five per cent., will be $1,700,000. For the Sinking Fund of one per cent. we require $600,000, and for commission on interest $27,400, making a total annual charge, when these works are completed, of $3,367,400.

Let us now consider for a moment whether, under the circumstances, we are likely to be able to meet this liability in the future without imposing heavy burdens upon the people of this Dominion. I would like to take you with me in imagination to that period ten years hence when the great Pacific Railway shall have been completed. (Cheers.) And I hope and trust, and firmly believe, that there is too much patriotism among us to allow any personal or political consideration to interfere with the progress of such a work as this, and I look upon its construction with as much confidence as upon any proposition made and accepted by this Parliament during the past five years. (Cheers.)

Looking first then to British Columbia, what will be the effect of the construction of the railway there? We know that the miners engaged there are now paying fourteen cents a pound for the conveyance of all descriptions of goods from Victoria to the mines; in consequence of these high charges, the miners must earn $4 or $5 a day to induce them to remain. These men, however, do earn that amount, and more than that amount, and, consequently, they remain there, notwithstanding the high cost of living. But I can understand, and the House will appreciate the effect that will be produced in that far off colony when the railway shall be in full operation. These miners can then live for a dollar and a half a day, and then, earning as they will do, four or five dollars, is it not reasonable to expect that there will be an influx of emigrants into that colony that will largely increase the population, the fertile valleys will be settled by industrious agriculturalists, the populations of the cities and towns will also increase largely, and there will be a corresponding increase in the revenue contributed to the Dominion (Cheers.)

Further east we come to the North West Territory, a territory than which there is no better on this continent, a territory capable of the highest state of cultivation, the fertile lands immediately adjacent to the proposed Railway, three times the size of the State of Illinois. This being the case, is it unreasonable to expect that with railway facilities for taking in immigrants, and bringing back their produce, there will be a large influx of population, and may it not be very reasonably expected that at the expiration of the ten years we shall have another Province, or perhaps two Provinces, between Manitoba and the Rocky Mountains, the population of which will all be contributing to the Dominion Treasury.

Coming further east still, let us but have our canal system completed, our connection with the Pacific Railway at the head of Lake Superior, the North West becoming rapidly settled, the exports of the settlers passing through our canals, and the whole system of the Ontario railways completed, and the result will be that the trade of the City of Toronto, which has doubled in five years, will be quadrupled, and the case will be the same with Hamilton, London, and other cities in the West. Such will be the direct and indirect results of these great facilities, and is it unreasonable to suppose that there will be increased ability to contribute to the revenues of the Dominion ?

Passing to the Province of Quebec, with this magnificent canal system, and the improved navigation between Montreal and Quebec, drawing, also, an increased trade from the Western States, there will be nothing in the world to prevent Montreal becoming the rival of New York, and quadrupling her present trade and commerce. The case will be the same as regards the City of Quebec, for considering the public spirit and enterprise manifested by her people of late years there is little doubt she will bid high to largely increase her business.

Next we come to my own Province. With perhaps limited advantages from these public works as compared with Ontario and Quebec, she also will be ready to compete for her share of the trade coming over this extended railway communication during the winter months. We shall then have completed a railway system unequalled in any part of the world, and with the impetus which will thus be given to the trade and commerce of New Brunswick, and to her manufactures, is it not reasonable to suppose that she will contribute more largely than at present to the Treasury of the Dominion ?

Passing to Nova Scotia, I have no doubt, before the expiration of ten years, her system of railways from Cape Breton

to the most westerly point of the Province will be completed, and then with Halifax taking her share of the business, both winter and summer, which must come to her as the necessary result of the completion of the Intercolonial Railway, with a portion of the ocean steamers touching there, and with the development of her vast mineral resources, will not Nova Scotia also contribute to the Dominion much more largely than at present.

And can we suppose that with all these influences, there will not be an increased revenue sufficient to meet the interest on increased expenditure for public works? (Cheers.)

But supposing that all this is a vain delusion, suppose that notwithstanding this enormous expenditure, suppose that notwithstanding the completion of the Pacific Railway and the opening up of our magnificent canals, the population should not increase beyond the per centage of the past ten years. Suppose there should be no increase in the importations and in the general trade, which is supposable, but which certainly will not be realized. Let us see what our position would then be in the event of our having to fall back on increased taxation to make up deficiency. I have stated that in the last five years the average of duty collected on the imports was 12¾ per cent. For the first six months of the current year it was not ten per cent. At the expiration of the year it will not exceed ten per cent. Suppose it became necessary to impose additional taxation on the people equal to that which has been exacted during the first five years of Confederation, by increasing the average from 10 to 12¾ per cent. Has the taxation of the past been oppressive? Have our people felt that it was grievous and hard to bear? I think not. But let us apply that increased taxation to the imports of the present year which will probably be $125,000,000. This would give us $3,437,500 to meet the interest, and the sinking fund, and the commission on interest amounting altogether to $3,367,000. Bearing in mind that during the last five years we could have borne an increased debt of $30,000,000, we can bear $30,000,000 more in the next ten years, without materially increasing the taxation of the people, while at the same time we are opening up a magnificent country for the millions who will pour into it, and are increasing the strength and power of this Dominion, and making it what I trust it will ever continue to be, the strong right arm of our own British Empire.

(The hon. gentleman resumed his seat amid loud and prolonged cheering.)

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BRITISH COLUMBIA

AND THE

CANADIAN PACIFIC RAILWAY.

COMPLIMENTARY DINNER

TO THE

HON. MR. TRUTCH,

Surveyor-General of British Columbia,

GIVEN AT THE

RUSSELL HOUSE, OTTAWA,

On MONDAY, 10th APRIL, 1871.

REPORTED FOR THE MONTREAL GAZETTE.

MONTREAL:

THE GAZETTE PRINTING HOUSE, CORNER FRANCOIS XAVIER AND CRAIG STREETS.

1871.

COMPLIMENTARY DINNER

TO THE

HON. MR. TRUTCH, OF BRITISH COLUMBIA

OTTAWA, 10TH APRIL, 1871.

(From the Montreal Gazette.)

One of the most interesting events of the present session of the Dominion Parliament was the complimentary dinner given to the Hon. Mr. Trutch, Surveyor General of British Columbia, on the evening of the 10th April instant, at the Russell House, Ottawa. The dinner was participated in by Ministers and by members of both Houses, who, having aided in the work of Union, met together to congratulate each other upon what they had accomplished, and to do honour to our new sister Colony in the person of her representative. Among those who were present were many who, in various capacities, have been warm supporters of that policy which has resulted in the practical admission of British Columbia and the extension of the boundaries of the Dominion to the far away shores of the Pacific Ocean.

The large dining room was decorated in a very tasteful manner with flags, evergreens, and appropriate mottoes; among the latter we noticed

"Westward the march of Empire takes its way."

"The Star of Empire glitters in the West."

"One Queen, one Flag, one Destiny, one Empire."

"British Connection."

"Vis unita Fortior."

"Quis separabit ?"

"A Pacific Railway."

"Ontario;" "Quebec;" "New Brunswick;" "Nova Scotia;" "Manitoba;" "British Columbia;" together with several others.

Gowan's band was in attendance in the gallery, and did much to promote the enjoyment of the evening by the performance of some excellent music.

At eight o'clock the guests walked into the hall to the number of about 200, and seated themselves at the tables.

The chair was occupied by Sir G. E. Cartier. On his right was Mr. Trutch, and on his left, Hon. Mr. Cockburn, Speaker of the House of Commons. The vice chairs were occupied by Mr. Angus Morrison, M.P., and Mr. Alonzo Wright, M.P.

When justice had been done to the very excellent dinner provided, the chairman rose and proposed the first toast, which was drunk with the usual loyal honors.

"The Queen."

Band—"God save the Queen."

The next toast was "the Prince and Princess of Wales and the rest of the Royal Family."

Band—"The Red White and Blue."

Sir G. E. CARTIER then proposed the Army, Navy, and Volunteers. He might be considered as too intimately connected with the latter to propose a toast of the kind with propriety, but he might, at all events, say that the volunteers of Canada had on more than one occasion during the past few years been called upon to defend their country and they had done so bravely and nobly, and like patriotic men (cheers).

Band—"British Grenadiers."

Lt.-Col. CHAMBERLIN, C.M.G., in response to an unanimous call responded, saying that he thanked the company most heartily for the honor done to the volunteers. In presence of the chief of the Canadian Navy and also of an officer of the British regular army (Captain Cameron) he could not say anything on behalf of those branches of the service, but speaking for the volunteers he could, without any hesitation, testify to the gratification they experienced at having the services which they had rendered in defence of the Empire so heartily recognized, and also at finding their brother volunteers and fellow subjects, from the Atlantic to the Pacific, united with them in the glorious privilege of defending the flag of the Empire. (Cheers.)

Captain CAMERON was also called upon to respond. He said he regretted that a distinguished volunteer officer like Colonel Chamberlin had not undertaken to speak on behalf of the regular army as well as for the volunteers. He alluded to the Imperial policy of withdrawing the troops from Cana-

/170

da, and to the doubts which that policy seemed to have given rise to in the minds of Canadians. These doubts are very painful to Imperial officers, who know perfectly well that the old English heart still beats beneath the English breast. (Cheers.) The Imperial Government had a right to withdraw the troops from Canada, and to pursue a policy of concentration which any military man would say was a wise one. But Britain would not forget her children. (Cheers.)

Commodore FORTIN replied on behalf of the Navy. He said he was not a member of the Royal navy, but only of the Provincial navy, which was a comparatively small affair. Still it must be remembered that a navy did not consist in ships alone, but in the bone and muscle of its sailors, and in the eighty thousand fishermen whom Canada possessed lay the strength of the Canadian navy. (Cheers.)

Hon. Mr. MITCHELL also replied on behalf of the navy. He said that the events of the past years had shown that the navy of Canada was of some account, and as for the Royal Navy that great and glorious service which has done so much to uphold the honor of the Empire for years past, its fame was world wide. (Cheers.)

Sir GEORGE E. CARTIER then rose and said he had now to propose the toast of the evening, "Our Guest" the Honorable Mr. Trutch Before doing so, however, he hoped to be allowed to make a few observations. Last year we achieved a great deal in extending the boundaries of the Dominion as far as the Rocky Mountains. That was a great and difficult work to accomplish, but it was merely an extension of the territorial limits of the Dominion. Now they had achieved a greater work, they had carried the limits of Canada as far as they could go in a westerly direction, and the end attained was worth the struggle. (Cheers.) Since Mr. Trutch had been in Canada he had won many friends, but he (Sir George Cartier) and his colleagues had better opportunities than any one else to form a more intimate acquaintance with him, and British Columbia, he was quite sure, could not have a better representative. He regretted that the two gentlemen who accompanied him as delegates last summer were not with him. Still, he could not help feeling that they enjoyed a great pleasure in having Mr. Trutch, one of the leading members of the British Columbia Executive Council, present with them (cheers). We have had our struggle and are now rejoicing over our success, but we must not forget that Mr. Trutch and his colleagues have been battling for Union for years. Our triumph was his triumph also, and it was our duty to congratulate and do honour to him (cheers). He (Sir George Cartier) could not forget that 300 years ago a bold navigator set sail westward to discover a way to the eastern coast of Asia. His name was Jacques Cartier (cheers). He was followed by Champlain and La Salle, and when the latter left the place where now stands the village of Lachine, seven miles from Montreal, he said as he sailed westward that he was "off for China." The Canada of which these early settlers dreamed was not a Lower Canada, but a Canada that should really extend to China (cheers). The Canada which we are establishing to-day is the Canada which they desired to see, one that should extend from ocean to ocean (cheers).

Band—"For he's a jolly good fellow."

Mr. TRUTCH then rose and replied as follows:—

I thank you most heartily, Mr. Chairman and gentlemen, for the great honour you have to-night conferred on British Columbia through her representative, and my personal acknowledgments are especially due to you, Sir, for the flattering terms in which you have spoken of me. I am well aware that I am all undeserving of the high encomiums which your politeness has led you to bestow on me. As an Englishman—a loyal British subject—and as a true friend of British Columbia, the home of my adoption for the past 12 years, my heart has been thoroughly in the work of extending the Dominion of Canada to the Pacific. But I can assume no other merit than this—if indeed there can be any merit in the performance of a simple and most pleasurable duty—that I have laboured earnestly under the direction of our most excellent and able Governor, Mr. Musgrave, to promote that great object now so happily attained. But it is not the less gratifying to me, sir, to be the recipient of the cordial welcome extended here to-night to British Columbia in the person of her representative on her entrance into this Confederation of British North America; a welcome which, I can assure you, will be most gratefully appreciated in that country, and cannot fail to draw closer the bonds of union between our community and the people of Canada. Well knowing as I do that I am expressing the sentiments of joyful gratitude which possess the entire British population of our colony at this moment, I tender their thanks to those gentlemen whose votes have secured for us the consummation of our hopes and aspirations; and I congratulate you, Mr. Chairman, and your honourable colleagues in the Dominion Government, on your far-sighted statesmanship in bringing this measure, so entirely in accord with the clearly enunciated wishes of the Imperial Government, to a successful issue, undeterred by the strenuous opposition urged against it; and I confidently express my belief, that as the true merits of this measure are more thoroughly understood, as the baselessness and fallacy of the objections to the terms of our Union, and particularly to the railway engagement, are realized throughout the country, the policy of your Government will be more and more generally and thankfully sustained. (Cheers.)

THE OPPOSITION FROM ONTARIO.

It would ill become me, Sir, a stranger occupying the position I do, to offer any

criticism hostile to the action of those who placed themselves in antagonism to this measure. I can fully believe that those gentlemen took that position in the conscientious discharge of their duty. But having listened to the whole of the debate on this subject, having taken part in the arrangement of the terms discussed, and having special local acquaintance with the facts involved, I think I may be permitted, indeed I consider it my duty, to comment on some of the objections and arguments urged against the passage of this measure, with the view of removing misapprehension. And in the first place I desire to say that in British Columbia, we have been led to understand most distinctly from the utterances of public men, and from the opinions enunciated in leading journals in Ontario, that from that quarter at least we should have no opposition. We were aware that there were in this country, some, who having opposed Confederation from its inception, were still hostile to that great and good measure, or at best doubtful friends to its accomplishment, convinced against their will but of the same opinion still, and from those gentlemen we anticipated antagonism to our Union with the Dominion. But the people of Ontario we have regarded as our natural allies in this connection, and we supposed that the leaders of political parties in that province would unite in extending confederation westward on any reasonable terms which might be laid before them. During the course of this debate I have heard many statements made and opinions expressed depreciatory, and as it appeared to me extravagantly depreciatory, of our country and our people. (Hear, hear.) I believe that those statements were made honestly though upon false information. But not the less do I regret that those statements are about to inflict much mortification and bitterness of heart upon the people of our country. They cannot know the circumstances under which these statements were uttered, and will not therefore make allowances for those who uttered them as I do. I have never believed that it was a part of my mission here to vaunt the material wealth of our country, to extol its excellence, or in any way to press British Columbia upon Canada. But I think it is necessary, after what has been said, to give you gentlemen here present some just idea of the wealth and worth of our country. This is no occasion for attempting any detailed description or statistical essay on British Columbia, but I will endeavor to sketch with as few touches as possible,

THE LEADING FEATURES OF THE COUNTRY.

The position of British Columbia you are all well acquainted with, commanding, as it does, not only the trade of the Western continent of America, and the islands of the Pacific, but also that of the Trans-Pacific countries. It has a sea coast extending 500 miles in a straight line, with a labyrinth of islands along its whole length, forming innumerable harbours, inlets and canals, together with the rivers which empty into them teeming with fish—salmon, sturgeon, mackerel, cod, herring, hallibut, oolachans, and last but not least, with whales. These fisheries are a source of wealth at present totally undeveloped with us. We know only of its boundless richness, but except a small beginning in whale fishery, nothing has as yet been done to render merchantable these immense resources. Then our forests, extending all along the coast and river courses, of vast extents of timber excellent in quality, and, from their proximity to water carriage, most valuable for shipbuilding and lumbering purposes. This industry in British Columbia has latterly effected a good start, as appears from the official returns for 1869, that in that year lumber amounting in value to $250,000 was exported. Our coal fields too are of vast extent—of bituminous coal in Vancouver's Island, along the coast of the mainland and 200 miles in the interior of the country. These have been worked to some extent for some years past, and in 1869, $125,000 worth of coal was exported to San Francisco. We have also that which some think more valuable than bituminous coal. In Queen Charlotte's Island large deposits of anthracite coal have been discovered, and of this a sample was this year introduced into San Francisco and is now selling at $17.00 a ton as I learn from San Francisco papers. California has very little coal within her own limits, and what there exists is of the poorest quality. She is therefore almost altogether supplied by British Columbia, and strange to say, to some extent from Australia. Then in 1869 our exports of furs and hides amounted to $264,000. We possess, also, minerals of almost every description. In fact, I hardly know of any that have not been found in our country. The gold exported in 1867 amounted to a million and a half of dollars; and we have besides, silver, iron, copper, lead, and many other minerals of less importance. Building materials, too, abound; as lime, marble, freestone, slate, cement, &c. And now with regard to lands, I would like to speak very carefully, as there appears such conflict of opinion here on this point. It is true, as has been stated, that the country is much broken up by intersecting mountain ranges. But it must be remembered that all is not mountainous. We have a very large quantity of valuable land, available for agricultural and pastoral purposes in British Columbia on the high plateaus and interspersed amongst the valleys, capable of supporting a very large population, and though not perhaps constituting what may be called, strictly speaking, an agricultural country, yet amounting, I think, to from a fourth to a third of the country, a good portion of which is now under cultivation, and yields heavy crops of grain and roots. As to the climate I am almost afraid to touch upon it. It possesses such a charm for one who has experienced it; varying as it does from the humid West of England climate of Vancouver's Island and the

coast region to the drier climate of the table-land of the interior, and the more bracing temperature of the mountain districts, but everywhere salubrious and favorable to the settlement of the country, and forming one of its main attractions. I have pointed out to you sufficient material resources and advantages to show that apart from its political value to Canada, this is a country worth having. (Hear, hear, and cheers.) And I know no reason why this country, now separated and isolated, should not become a source of great wealth to this Dominion. (Hear, hear.)

WHY BRITISH COLUMBIA HAS NOT PROSPERED.

But it has been asked why is it that you have so small a population in this country? You have not far to seek for the answer. To my mind the reasons are very plain and very simple. British Columbia is a most isolated country, cut off from Great Britain by a sea voyage of 150 days, and walled in to the east by the Rocky Mountains, preventing all communication with this country, and still more shut off on the south by the United States, through which all immigrants to British Columbia have to pass. We know what is done in San Francisco to prevent those immigrants from coming to us,—how our country, government, and institutions are misrepresented. Another difficulty is its inaccessibility. Good roads have, to be sure, been made to some parts of the country, but even along the main road the cost of carrying freight from the sea coast to Cariboo is fifteen cents a pound. Six dollars a day is considered poor man's digging there, and wages are mainly from this cause proportionately high. There is another reason which I think has operated almost as largely against our obtaining any increase of population. Up to this year British Columbia has been a Crown colony, with a government, so to speak, despotic, there being no popular representative body. Such a form of government is supremely distasteful to any Anglo Saxon community, and especially so to one situated as that of British Columbia is, in close juxtaposition to the republican territory south of us. The government has, I know, been honestly carried on with the best interests of the country in view, but we have been aware that the form of government has deterred immigration. But how is this community open to the accusations which I have heard urged against it, as being a worthless vagrant population. I stand here prepared to state that the population of British Columbia will compare favorably man for man with any on this continent. And I adduce to you as a proof of what I have said what has already been done in that colony still in its cradle. Only ten years ago it was established as a colony, and now look at the towns, farming settlements and roads we have constructed. I see nothing in this eastern portion of this continent to compare with our coach roads; and all this we have done with our own money, not a penny have we ever had from England. The road which we have built from the head of the navigation on the Lower Fraser, to Cariboo cost us a million and a half dollars. It is wrong to say that any portion of the population is nomadic. Such is not the case. There are some two thousand miners who work steadily in the mining district the year round—they cannot be called nomadic, and the rest of the population are farmers for the most part or traders, or professional men, and small as the community is, it is, I believe as intelligent, hardworking and loyal to the British Flag as any in Canada. (Cheers.)

THE UNION QUESTION IN THE COLONY.

Permit me now to trace the history of Confederation in British Columbia, and to review the position of the question there at the present time. In March 1867, while your delegates were in London, completing the negotiations which resulted in the present British North America Act, our Legislative Council, then composed of fourteen official and nine selected members, but all appointed by the Governor, being in session, passed an unanimous resolution praying that they might be allowed the opportunity of entering the Confederation at some future day on terms fair and equitable. And that sentiment exists to-day and to an increased degree. (Hear, hear, and cheers.) This resolution was telegraphed by our Governor to the Secretary of State. I know not whether this resolution was instrumental in causing the 146th section to be inserted in the British North America Act, but shortly after our message was sent a reply was received informing us that provision had been made for our admittance into the Confederation. In 1868, resolutions were inopportunely introduced into our legislature praying for immediate confederation with Canada; but in view of the fact that the great North-West was still unconnected with the Dominion, this movement was voted premature and impracticable. In 1869 a similar resolution favouring immediate confederation was again proposed in the Council by some enthuastic friends of Confederation, but again rejected on the same ground as in the year before. But in 1870 the North-West, having been acquired by you, and her Majesty's Representative in British Columbia having been informed of the policy of the Imperial Government, it was resolved to take up the question of our Union with Canada and to bring it before the country. The Governor therefore in Executive Council formed a scheme and that scheme was passed through the Legislative Council as a government measure, it being however distinctly promised that the people of British Columbia should have an opportunity of concurring in or rejecting the terms of Union in a Legislative Council in which there should be a majority of representative members. These assurances have been strictly fulfilled. The terms of Union agreed upon between the

delegates from British Columbia and the Dominion Government last year, were submitted on the 18th of last January, to a Legislative Council, composed of nine representatives and six appointed members, and unanimously adopted. (Cheers) I should now like to speak about

THE TERMS OF UNION THEMSELVES

and show you how they appear from a British Columbian point of view, and I will confine myself to the questions of the financial arrangements, the representation and the railway undertaking—the only points which were really opposed during the discussion in Parliament. I will first speak off the financial arrangement, and with your permission, I will take you back to the time when the scheme was first discussed in the Executive Council of British Columbia. As soon as we came to consider the question of terms we arrived at the conclusion that no scheme based on the actual population of the country was capable of being adopted; that it was simply impossible that we should receive a sufficient subsidy on those conditions to carry on the affairs of the Province, and that it was impossible to proceed according to the strict terms of the British North American Act in this respect. Having arrived at this conclusion, that by some means we must have a certain sum of money, we resolved to adopt a fictitious scheme, based upon the customs revenue of the country. This scheme was rejected by your government in conference with our delegation last June, and I think properly so, but we then insisted that we must have a certain sum of money, and urged that it was unwise to cut the means of the Colony down below the revenue actually required for necessary expenditures, as the Dominion would only ultimately find itself obliged to make a more liberal arrangement; and we pointed out that the Colony was giving up the only elastic source of revenue which we have—the Custom's revenue—the only source of revenue capable of meeting the growing requirements of the people, and that even if we got at first more subsidy than our population en titled us to, year by year as our numbers increased the Dominion would get the better bargain financially. It was then proposed that for the land to be made over by the Colony for the construction of the railway, we should get a certain sum of $100,000 annually, and to this arrangement we assented. A false impression has been created on this point. We came here last year willing enough to give any reasonable amount of land in aid of the railway, and asked no compensation for it. But it should be borne in mind that the extent of land to be contributed by British Columbia for this object, is manifold greater in proportion to her population than that to be supplied by Ontario or by the Dominion, whose people are equally interested with us in this railroad enterprise, and it cannot therefore be justly held that we drove a hard bargain in this matter. (Hear, hear.) I assure you that the question of representation has not been considered of so much importance in British Columbia as it has here. I have always thought and stated as my opinion, that the strength of British Columbia in the Confederation must consist in her weakness, that in order to make the Dominion prosper, you must make British Columbia prosper, and that therefore the whole country would cherish our interests, and that the main use of our representatives must be at first to give information as to a country of which so little is known—as has been so clearly shown by the late debates. When our delegation came here last year our scheme proposed a representation in the Commons of eight members, proportioned to a population based on the customs revenue of the country. This was reduced to six, and we not unwillingly agreed to the reduction. But we have never been able to appreciate that we were bound by the British North America Act in this matter of representation, and had we been told that we could have under that Act no representation, as I have heard argued, or only one member, we would have certainly said, "Much obliged to you, we will remain a little longer as we are." (Hear, hear.) And now with regard to

THE RAILWAY CLAUSE

of these terms. After all the rest of the scheme of union had been framed in Executive Council, it was unanimously agreed, and this conclusion has been supported by the sentiment of the whole community, that there could not be any real union with Canada without a material connection by the construction of a coach road first, to be followed at once by a railway. That was the conclusion arrived at by our Legislative Council in 1870, and urged upon your Government by the British Columbia delegates as a *sine quâ non* of our union. There was a very great lack of confidence in Canada at that time on the part of some members of the Legislative Council, and among the people of Victoria, not because those gentlemen, who were nearly all Englishmen, had any leaning towards the United States, but because they feared that Canada was not in a position to undertake the construction of this material connection by railway between British Columbia and this part of the Dominion. If Canada were not to make this connection, then we might just as well seek union with Australia or New Zealand (hear, hear.) If we were only to become a mere isolated colony of Canada we had better remain as we were, a separate colony of England. We argued "If Canada is now ready to make this railway, then let us join her at once, if not we shall do better to stay as we are until she is prepared to undertake the responsibility of that enterprise." We never thought of requiring the construction of this railway as the price of our union with the Dominion, but we had been told that Canada was ready to build this railway, that it was a

political and commercial necessity for her to do so, and that she wanted British Columbia chiefly for the purpose of making this railway through our country to the Pacific. Under these circumstances we were ready, we were desirous of entering into this Confederation. In the early part of these remarks I told you that, we in British Columbia had been led to expect, from the utterances of her public men and from the views expressed by her journalists, that the union of British Columbia with the Dominion would have met with the hearty approval of Ontaria, that the construction at once of the Canadian Pacific Railway would meet with her ready support, and I intimated to you, Sir, that I knew that British Columbia would be, as I was, astonished at the position taken by many members of Parliament from Ontario. And in support of that position I pray you to allow me to read to you an extract from the *British Colonist* of the 15th March, published in Victoria, which I received three days since. In a leading article our Victoria editor writes as follow:

" British Columbia owes much to the Toronto *Globe* for the force and ability with which it has all along pressed upon the Dominion of Canada the necessity for adopting a broad, vigorous, and truly national policy with respect to throwing open the great North West and pressing onward to the Pacific. Our big contemporary is doubtless not altogether free from faults and failings, but this one virtue ought to cover a multitude of sins, to the eye of British Columbia at least. In a recent number of the *Globe* we find a very able leading article upon the subject of the Canadian Pacific Railway. Our contemporary alludes to the argument so commonly put forward by our American neighbours, viz., that the American Northern Pacific Railway, running, as it does near the boundary line, and draining, as it will, the British possessions lying to the north of the forty-ninth parallel, must forever forbid the idea of a Canadian Pacific line proving a success, if, indeed it does not forbid the idea of such a line ever being built. To this our contemporary the *Globe* well replied:—

I may remark that the following extract is quoted by our editor verbatim from the Toronto *Globe* of the 3rd Februaiy, as I have ascertained by reference to a file of that journal:

"The main line of the North Pacific at no point of its route approaches within a hundred and fifty miles of British territory, while in general it is at a much greater distance from the boundary line. Supposing our great lakes blotted out, and a wilderness of a hundred and fifty miles stretching along the whole border line of Ontaria, would any one argue that a railway far down in Pennsylvania and New York would be quite sufficient to develope the resources of this country, and that all Canadian lines would be really so much money thrown away? Yet such an argument would not be so foolish and inconclusive as what is urged against the construction of a great Canadian Trans-Continental Railway.

"The proposed route of that undertaking is, on an average, four hundred miles north of that being made from Duluth, and instead of being, as a large part of both the American lines must be, through an irreclaimable desert, it runs through a country which, in fertility and climate, will compare favorably with any part of the North American Continent.

"When this has been stated, nothing else is necessary. Any person of ordinary intelligence can see at a glance that a railway which never, throughout its whole course comes within a hundred miles of the border line of a country, can do very little to delevope the resources of that country. It is better than nothing, but this is all that can be said in its behalf. The immediate territory through which it runs would be benefitted chiefly, and in the first place and all beyond only incidentally, and after the lapse of many years.

"Instead of the fact that the North Pacific is under construcion being an argument for allowing the Canadian project to lie in the meanwhile in abeyance, it affords the strongest reason possible for its being pushed through without delay. Politically it is a manifest and pressing necessity, while commercially it is as evidently of the very highest importance for Canada. In this way alone can this country have any chance for her fair share in lucrative trade with the North-west which will assuredly spring up, and in the varied traffic with the Pacific world which to a great extent will pass through Canadian territory, if once what will be the shortest and easiest route from ocean to ocean is in working order."

The British Columbia editor on this remarks:

"Our readers will agree with the foregoing, while they will most heartily endorse and enthusiastically applaud the following paragraph with which the *Globe's* article concludes:

"Our neighbours know the value of the prize involved, and are making gigantic efforts to secure it exclusively for themselves. Our rulers will be traitors to their country and to British connection if they lose a single season in making it practicable and convenient for settlers to go to Fort Garry through our own territory, and in putting things in a fair way for the Canadian Pacific Railway. It is a question not merely of convenience but of national existence. It must be pushed through at whatever expense. We believe it can be so pushed through, not only without being a burden pecuniarily upon Canada, but with an absolute profit in every point of view. Without such a line a great British North America would turn out an unsubstantial dream; with it, and with ordinary prudence and wisdom on the part of her statesmen, it will be a great, a glorious, and inevitable reality."

I cannot imagine any stronger argument in favour of the immediate construction of the proposed railway, by even its most enthusiastically interested British Columbian advocates, than that here urged by the editor of the Toronto *Globe*. This work which he so pressingly insists on as a political necessity, and as of the highest commercial importance, we proposed to you to undertake; and this work you have engaged to commence at once, and to complete at the earliest practicable period, that is to say, as we have estimated, in ten years from the date of union.

THE TEN YEARS' LIMITATION.

And now, Sir, I speak with special care, as I desire that full weight should be given to every word I utter on this point, that is to say, as to the understanding which I had when this clause was framed, and still have, of the intention of this engagement by the Dominion to construct the Canadian Pacific Railway within ten years. When we came to you in June last, we proposed that you should build at once a coach road from Fort Garry to the Pacific, and within three years begin a railway, and we sought to bind you to spend a million of dollars annually on the section of this railroad in British Columbia, and to complete its construction with the utmost possible despatch. We fully understood then that once the road was commenced, it must be urged to its completion

as a matter of course, as a business necessity, and that instead of $1,000,000 being spent, probably $5,000,000 would be yearly expended in British Columbia. We knew, in fact, that if the road were to be completed at all, it would have to be proceeded with at a far faster rate than a million a year would insure. But there were those in British Columbia who thought that Canada would not undertake the work at all, and it was to satisfy their doubts, to secure their adhesion to the scheme, that the guarantee of the expenditure of the $1,000,000 annually was asked. The Government, on conference with our delegation, at once expressed their readiness to commence at once the railroad to the Pacific, and to complete it as soon as it was practicable to do so; but the coach road was objected to as an unnecessary expense, in view of the immediate construction of a railroad. We from British Columbia were prepared to accept this amendment of the scheme, and we accordingly proceeded to calculate the time it would probably take to build the railroad, and we agreed upon an estimated period of ten years. If it had been put at twelve or fifteen years, British Columbia would have been just as well satisfied, and if the estimated period had been reduced to eight years she would scarcely have been better pleased; but some definite period for the completion of this work the British Columbia delegates insisted on as a necessary safeguard to our colony in entering into the proposed union. To argue that any other interpretation will be placed upon this railway engagement by British Columbia than that which I have given to you as my construction of it,—to argue that she expects it to be carried out in the exact interpretation of the words themselves, regardless of all consequences, is a fallacy which cannot bear the test of common sense. (Hear, hear) The case stands thus: British Columbia is about to enter into a partnership with Canada, and one of the terms of the articles of partnership is that we are under the partnership to construct a railway upon certain conditions. Is British Columbia going to hold her partner to that which will bring ruin and bankruptcy upon the firm? Surely you would think us fools indeed if we adopted such a course. I would protest, and the whole of British Columbia would protest, if the government proposed to borrow $100,000,000 or $150,000,000 to construct this road; (hear, hear,) running the country into debt, and taxing the people of British Columbia as well as of the rest of the Dominion to pay the burden of such a debt. Why, sir, I heard it said the other evening that British Columbia had made a most Jewish bargain with you in these terms, but even Shylock himself would not exact his pound of flesh if a portion of it had to be cut from his own body. (Loud cheers and laughter.) I am sure that you will find that British Columbia is a pretty intelligent community, which will be apt to take a business view of this matter. She will expect that this railway shall be commenced in two years, for that is clearly practicable; and she will also expect that the financial ability of the Dominion will be exerted to its utmost, within the limits of reason, to complete it in the time named in the agreement; but you may rest assured that she will not regard this railway engagement as a "cast-iron contract," as it has been called, or desire that it should be carried out in any other way than as will secure the prosperity of the whole Dominion of which she is to be a part. (Cheers.) I have understood this railway engagement in this way from the first, and I still so understand it. I believed when we negotiated this clause in the terms of union last year, and I now believe, that it is not only practicable for this road to be built by a liberal land grant and a moderate money subsidy, but that it will be so built and completed within the estimated period of ten years. But if a mistake has been made in this estimate, do not think that British Columbia is going to put a strained interpretation upon the agreement, to her own material injury; that she is likely, as the saying is, to bite her own nose off to spite her face.

ESTIMATED COST OF THE RAILWAY.

I will enter into no estimate to-night of the cost of the section of the proposed road east of the Rocky Mountains. You have as good means of forming opinions on the probable expenditure that will be required on this portion of the line as I have. But I will speak of the probable cost of the line in British Columbia through a country with which I am personally acquainted. British Columbia, Sir, is not such an unknown, unexplored country as it has been supposed or represented to be. I may mention to you that in 1865 and 1866, in obedience to a despatch from the Secretary of State, asking for information regarding the facilities for the construction of a waggon road across the mountains, to connect with the Red River settlement, I instituted, under the Governor's direction, explorations of the country between Fraser River and the Rocky Mountain range, and the report of these explorations, together with a minute from myself thereon, summing up all the information then obtainable, were printed and have been made public. It is, I think, pretty certain that the choice for the line through the Rocky Mountains is between Leather Pass and Howse's Pass; but from the Western outlet of either of those passes, there are several lines of route to the Pacific, and I do not pretend now to offer any opinion as to the relative merits of these several lines. I will speak only of that one which I am most acquainted with, having passed over nearly this whole line from the Pacific to the Rocky Mountains, on horseback or on foot, and over parts of it frequently. I mean a line from the mouth of the Fraser, following up the course of that river and of one of its tributaries, the Thompson, to the head waters of the south branch of

the latter river, in Shuswap Lake, thence through the Eagle Pass across a summit of the Gold Range, four hundred and seventy feet above the Lake level to the Columbia River, and up the Columbia and one of its small tributaries, called Blackberry River, to Howse's Pass. This is not only a practicable line but it will give a gradual ascent to the summit of the Rocky Mountains, from which point the descent to the Red River will be almost a regular incline, in very favorable comparison with the grade of the road now in operatien between San Francisco and Omaha, which passes over four successive summits, the lowest of which is two thousand feet higher than that we have to overcome on the Rocky Mountains. Now, Sir, in the absence of detailed surveys and sections, no one can make a close estimate of the cost of this line; but I venture to express my opinion in which I am supported by other gentlemen, like myself engineers, who have gone over the line, that notwithstanding some portions of the work on this road along the Canon of the Fraser would be very expensive, the whole distance from the Pacific seaboard to the summit of the Rocky Mountains, a distance of about six hundred miles, may be set down at an approximate estimate of $60,000 per mile.

RESULT OF DEFEAT OF UNION.

I have been frequently asked of late—and I mention this point as it has been discussed so warmly in Parliament. "What would have been the result in British Columbia had the address in favor of her union with Canada been voted down?" Well, Sir, as I have said already this evening, the people of British Columbia are not only an intelligent but a loyal community—throughout the whole country there exists strong attachment to British connection. They have never as a people had any inclination for the United States or any proclivity toward the institutions of that country; and though there was at one time in the year before last an attempt on the part of a few disaffected persons to raise such an issue, it was so speedily hooted down that the very word annexation has been ever since taboed among us. But, had this address not been carried there would have been the deepest disappointment throughout our colony and profound discouragement to the best friends there of Confederation. Our people have been given to understand from all quarters in Canada as I before told you that the Canadian Pacific Railway was to be built at once—they have regarded their union with Canada on the terms arranged by your Government as a foregone conclusion—and had they been told by you as they would in fact have been told by your refusal to confirm those terms, "we are not able to undertake the building of this Railway, we are not prepared to take the responsbility of uniting British Columbia to us, not equal to the occasion which presents itself," they would certainly with embittered feelings have at once and unanimously refused to unite with you on any other terms, and what might have been the ultimate rosult I would prefer not to conjecture. But, Sir, happily we have escaped any such risk as this would have occasioned to the consolidation of British interests on this continent, and are met here to-night to rejoice over the consummation of the great work of the union of British Columbia to the Dominion. (Cheers.) I must apologise for the length of these remarks on a social occasion such as this is, but there were some points with regard to the true bearing and intention of the terms of union of our colony with Canada which I have considered it very desirable, not only for the sake of our community, but in the interest of this whole Dominion, to comment on, and explain from a British Columbia point of view, and I have availed myself of this opportunity of doing so as I see no probability of any other being afforded me just now. And now, sir, I beg to renew my acknowledgements of the high compliment paid this evening to British Columbia in the person of her representative. For myself I can only assure you that I shall ever cherish a grateful recollection of the very great kindness which I have received from the many friends with whom I have had the pleasure of becoming acquainted in Canada, and especially, Mr. Chairman, from yourself. On behalf of the people of British Columbia—the youngest of the fair sisterhood of federated provinces now spread across this broad continent from ocean to ocean—I express the heartfelt desire—long may this goodly Dominion flourish and grow in honor among the nations under the dear old flag that now waves over us—enjoying year by year an increasing measure of material prosperity, and truest happiness! and in direct connection with this sentiment I propose to you in the name of our colony a toast which I know needs no further preface here to-night—to those to whom British Columbia and this whole Dominion owe so much—"Her Majesty's Ministers." (Loud and prolonged cheers.)

The toast having been enthusiastically drank,

Sir G. E. Cartier, on behalf of his colleagues and himself, returned their most sincere thanks. With regard to this present ministry it should be borne in mind that it was the offspring of Confederation. From the 1st of July, 1867, it had been the task of the ministry ever to extend the incomplete scheme of Confederation. It was their happy lot to-day to see this in a measure completed. (Hear, hear, and cheers.)

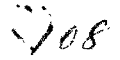
Hon. Mr. Campbell said that he was happy to submit to Sir George's response for the ministry. He was sure they were all delighted that Sir George had been so happy in leading during the absence of Sir John. (Hear.) The mottoe of the present ministry had ever been "One Queen, one flag, one destiny." (Loud cheers.) That had been the feeling which had influenced them, and when they

passed away, the result of that influence would remain forever. (Cheers.)

Hon. Dr. Tupper, alluded to the rapid strides which had been made in this country. Who, he said, in 1867 would have dreamt that they would have been enabled to night to celebrate the admission of British Columbia into the union. (Cheers.) He would not add a single word to what had been already said by the leader of the Government. He begged permission to offer a volunteer toast that of "our sister Province Manitoba," the representatives of which they had for the first time sitting with them at the festive board.

The toast having been enthusiastically honoured,

Dr. Schultz, who was warmly received on rising, said that as "Manitoba" was not on the list of proposed toasts he had not expected to have had the honor to reply on behalf of the Province, a portion of which he had the honor to represent. Still, since they had chosen to do honor to the Prarie Province, he would say something on her behalf. He had listened with a very great deal of pleasnre to the remarks of their honored guest, Mr. Trutch, and he felt that hon. gentleman had made out a very strong and very satisfactory case in favor of our newly acquired Province of British Columbia. (Hear, hear.) He felt especially pleased to meet Mr. Trutch on this festive occasion, because he felt that it would probably be the last time he could meet him in friendship. (Laughter.) It was quite evident to him that the two Western Provinces were to be rivals, and that when he met Mr. Trutch on the floor of the House of Commons next year each one would insist on the special advantages which *his* Province offered, and that there would be an antagonism which he trusted would not result disastrously. (Laughter.) While they were yet friends, therefore, he must congratulate the hon. gentleman who had set before them so clearly the somewhat intricate state of affairs in the Province he represented. Mr. Trutch had dwelt upon the wealth of British Columbia in its fisheries, its coal fields, its timber and its gold. Well, Manitoba had something to offer too, or rather would have when its boundaries were extended. It had its fisheries not to be despised; it had its gold fields, though people could not as yet pick up nuggets as in British Columbia. (Laughter.) Still there were those who when washing the shining sands of the Upper Saskatchewan argued that on our side of the Rocky Mountains there existed the matrix from which these golden grains had drifted. What Manitoba however had chiefly to offer to the Dominion was agricultural resources, homes to the immigrant, a yield of grain unequalled in any country. What British Columbia seemed to need was wealth—what Manitoba needed was population. He was willing that Mr. Trutch should get for his Province all the capitalists if he could secure for Manitoba that immigration which her natural resources gave her the right to expect. He felt very hopeful about the future of his Province. Indeed since the acquisition of British Columbia he had begun to take very large views; he was even beginning to think that the capitol was not central enough in the new Dominion. (Laughter.) He would not be surprised if many of us lived to see the Capitol removed to some place in the valley of Sackatchewan now occupied only by the roaming tribes of that region. The only want which Manitoba had besides population was communication, and it was with great pleasure he learned on his arrival in Canada that the Pacific Railway had been legislated and determined upon. (Cheers.) He looked upon the acquisition of these western Provinces in the light of an investment, profitable if their resources were developed, useless if not, and a Railroad was the only way to develop them. Without Railroad communication, he considered the £300,000, expended for its purchase, the two million dollars spent to put down rebellion, and the proposed payment of $67,000 a year for the support of its Government, as just so much means squandered, so much money sunk for no possible good. (Cheers.) Had we railroad communication, we couid enter the emigrant centres of the old world and fairly bid. and even outbid all competitors. Could we at a reasonable cost transport the emigrant into Manitoba, we could offer him 160 acres of better prairie land that can be found in the Western States, free. We can offer him the fnll privileges of citizenship after three years residence, instead of the five years insisted on further South. We can offer him a country where taxes are scarcely known, where such necessaries of life, as could not be produced on his own fields or manufactured by himself, can be bought at one-half the cost of those articles in the much lauded Western States Where, in addition he may expect an average yield one-third greater than that of the most productive grain raising State of the Union. (Cheers.) Could we be assured of receiving such an immigration then, it seemed to him that success is certain. It is all right for us, to have these Eastern Provinces depleted for our benefit, but there is, in that, no substantial advantage to the Dominion at large. To use the immense resources we must have increased population, and with that, will come wealth rapidly enough. We must in building up a nation not depend alone on our own population and the emigrant class of the British Isles, we must have our share, a monopoly even, if we can get it, of that Scandinavian and German element which is building up the nation south of us. (Cheers.) In conclusion Dr. Schultz thanked the assembly for the good feeling they expressed towards Manitoba, he felt convinced that they would not find that Province to be the weakest nor the poorest of that chain which now girdled the continent; and if this great scheme that we have set on foot, this effort to establish on



this continent a great and prosperous British power; if it should so unfortunately happen that this scheme should be frustrated, this laudable effort fail, he felt certain that its failure will have to be ascribed to some other cause than a lack of natural resources, in that Confederation which now extends from the Atlantic to the Pacific and which embraces a territory greater than that of half the Kingdoms of Europe, or that of our natural rivals, the United States. (Cheers.)

Mr. SMITH, M. P. for Selkirk, Manitoba, after repeated calls, rose and said that, after what had fallen from the gentleman who had preceded him, there was little more to be said. As it had been determined that they were to have a railway connection with this country, he would say something about the route. It had been said that the route from Fort Garry to Canada was almost impracticable. He believed, from what he could learn from people who had traversed that route, that this was not the case. (Hear, hear.) By following the old route taken by the Hudson's Bay Company's officials, going behind Nipissing, touching Nepigon, and skirting Lasalle, they would be able to pass through a country, certainly not quite equal to some portions of the Dominion, but, both as regarded climate and soil, not inferior to much of the country through which the Intercolonial Railway runs. At the Lake of the Woods they reached the prairie, which extended for fourteen hundred miles to the westward, and afforded facilities for the construction of a railway unequalled by that through which any railway in the Dominion passed. (Hear, hear.) Then as to the resources of the country. They possessed large fisheries, and though they might not have a fish with the colour of a salmon, they had the white fish, which was far superior in flavour. They, too, had found nuggets of gold, and they were possessed of salt mines, which were sufficient to supply the whole Dominion. There were large beds of coal, too, on the Assiniboine and the Saskatchewan, and a great deal of coal oil somewhat north; and, besides, there were copper, iron, lead, &c., in abundance, and in the Pran River district they have a country quite equal to that of the Saskatchewan, and a climate which admitted of wintering herds of cattle out in the prairies, where they grazed throughout the whole year, instead of being obliged to stallfeed them for at least four months, as is the case both in Ontario and Quebec (cheers). It had been supposed that the great difficulty in Manitoba was the lack of building material. But the fact was that the shores of Lake Winnipeg would supply large quantities of excellent granite and stone, and there were also extensive beds of clay, which could be used for the manufacture of bricks, and during the last year a considerable quantity of bricks had been made. He thought, therefore, that for building material they were pretty well off. (Hear, hear.) He believed that during the coming years two steamers would be running on Red River, for a distance of 160 miles, which would connect that country with the railway system of the United States. On the Lake Manitoba (from which to Fort Garry the distance was only sixty miles over a perfectly level country) and the Saskatchewan River there would doubtless also be steamers within a couple of years, thus to a certain extent opening up and giving the means of bringing down the coal and other products of that extensive and valuable district—but the great desideratum was railway communication; and he believed that within the ten years spoken of the railway would be built, and that the friends of those people who were going from Ontario and Quebec to Manitoba would not let the matter rest, but would press forward as rapidly as possible the railway to the North West. (Loud cheers.)

Sir GEORGE CARTIER then proposed the health of the speakers of the two Houses of Parliament, regretting that domestic affliction prevented the attendance of the speaker of the Senate.

Hon. Mr. COCKBURN, Speaker of the House of Commons, responded in his usual happy strain.

Then followed "the Press" to which Mr. Thomas White of the GAZETTE responded, and "the ladies" responded to by Mr. Savary. "The chairman" was proposed by Mr. Grant M.P., and after the toast had been duly honoured, the band played God Save the Queen, and the company separated.

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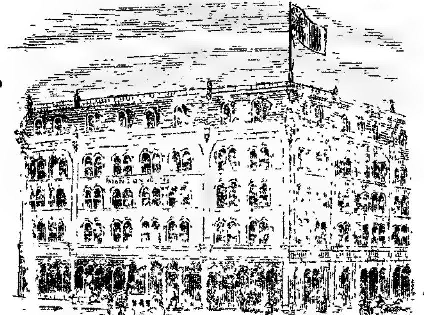
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HON C. B. TUPPER'S SPEECH AT HALIFAX.

"By a Party—With a Party—But for the Country."

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1876.





SIR JOHN A. MACDONALD

AT

MONTREAL.

SPEECH DELIVERED AT THE WHITE BANQUET,

WEDNESDAY, NOVEMBER 24, 1875.

The following speech by the Right Hon. Sir John Macdonald was delivered at a banquet given by the Conservatives of Montreal to Mr. Thomas White, Jr., on Wednesday evening, the 24th of November last. The hall was beautifully decorated with flags, the platform being draped with national emblems. In front of it was a dais occupied by the guests and leading gentlemen present. Mr. John McLennan presided. On his right hand were seated Mr. Thomas White, the guest of the evening, the Hon. C. B. Tupper, Andrew Robertson, Hon. J. L. Beaudry, A. Desjardins, M.P., Hugh McLennon, Richard White, A. M. Delisle, Walter Shanley, M. H. Gault, H. L. Routh, and Col. A. A. Stevenson. On the left of the chairman were the Right Hon. Sir John Macdonald, R. Masson, Hon. Thos. Ryan, John Hope, Hon. Peter Mitchell, Rev. Mr. Black, John Crawford, A. Lacoste, A. Ouimet, M.P., David Law, John Kerry and David Sinclair. The Vice-Chairs were occupied by Messrs. Ogilvie, Mousseau, McGauvran and Bulmer. About three hundred guests were present.

The CHAIRMAN having proposed "HER MAJESTY'S LOYAL OPPOSITION,"

THE RIGHT HONOURABLE SIR JOHN MACDONALD rising to reply, was received with enthusiastic cheering, renewed again and again. The welcome was unprecedented in heartiness. When the applause had ceased, Sir John said:—Mr. Chairman and gentlemen, I, one of Her Majesty's loyal Opposition (cheers), have come from Toronto to join in this magnificent demonstration in favor of my friend—my political and personal friend—Mr. White. (Cheers.) I feel that it was due to him, due to the sacrifices he has made, due to the stand he has taken, due to the position he has attained, to testify my respect as one of the old members of the Conservative Party. (Cheers.) But while it was due to him, it is also a great gratification to myself. I long in public life have watched the course of Mr. White. I first knew him when, at Peterborough, with all the earnestness and enthusiasm of youth, he conducted one of the most able country newspapers that existed in Canada. I have seen his course ever since. It has been a truly Conservative course, not merely, gentlemen, in the party sense of the word, but in the higher patriotic sense, Conservative in thought, Conservative in feeling, Conservative in advocating the connection with the mother country—that grand old country from which we all hail. (Cheers.) I have watched his progress in life, and I find him now with not less earnestness, with not less enthusiasm, but with matured mind and with the experience that he has gained by long, intelligent, and vigilant observation of public affairs, now standing one of the first journalists in Canada (enthusiastic cheers), worthy of this demonstration, and worthy of the exertions which have been made for him by the true electors of Western Montreal. It is

true that, he has told us, he is a defeated candidate, and no one more regrets that defeat than I do; not only on my own account, but on account of the party of which, for the present at all events, I may be considered the leader (cheers). Mr. White has this consolation, that the loss is to his party, the great Conservative party, that the loss is to the City of Montreal (we know it)—that the loss is to myself who looked forward hopefully to having him acting with me, fighting with me, battling, as I said a few evenings ago, with the beasts at Ephesus. (Cheers.) But, in truth, it has been no defeat; it is a great triumph, for he had the real honest vote of West Montreal, and he has in this demonstration the testimony of the wealth, intelligence, enterprise and commerce of Montreal. (Cheers.) I might, gentlemen, at this late hour, content myself with making these remarks (No! no!! go on!) and with thanking you for the honor conferred upon Her Majesty's Opposition; only that being a lawyer I am fond of precedents, and I find that at a similar banquet, perhaps not quite so numerously attended, which took place in Montreal in honor of a most estimable gentleman, Mr. Frederick Mackenzie, his namesake, the Premier of the Dominion, took occasion to enter into some of the political questions of the day, and following that precedent, I shall, with your permission, do the same. (Loud cheers.) Gentlemen, I feel bound to follow the example set me by the Premier of Canada—by the Hon. Alexander Mackenzie—for we must be careful to speak of him as the Hon. Alexander Mackenzie in the future. (Laughter). We all got a lesson lately, which I know you will take to heart, in politeness and deportment. We were told that no more must he be styled Sandy Mackenzie (renewed laughter): that no more must such an one be spoken of as Archie McKellar, or another as Geordie Brown; that you must speak of them as the Honorable Archibald McKellar and the Honorable George Brown. I didn't know, gentlemen, before I read that speech, what a deeply injured man I was myself; I didn't know that the people of Canada, from the Atlantic to the Pacific, had been insulting me for thirty years by calling me "John A." (Laughter and cheers.) And then I could not but reflect when that speech will be re-echoed, as such a speech deserves to be re-echoed, across the Atlantic, how Mr. D'Israeli and Mr. Lowe will feel, when their attention is called to the fact that they, great statesmen as they are, one of them Premier, have allowed themselves to be called plain Dizzy and Bob Lowe. (Laughter.) So, gentlemen, remember that he is the Honorable Alexander Mackenzie. It is said that in Spain the great old grandees, founders of the ancient families of Castile and Leon, the Duke of Ossuna, the Duke of Medina Sidonia, or the Duke of Medina Celi, and such great nobles, addressed each other as Ossuna, Sidonia or Celi, and so on, but when they spoke to a new man they styled him the noble and illustrious Hidalgo, the Marquis of Nuevo Hombre. (Laughter.) Now, gentlemen, I know that every one of you are F. F. C.'s (of the first families of Canada), and so remember that while you are quite at liberty to address one another as Tom, Dick or Harry, you must always speak to and of Mr. Mackenzie as "the Honorable Alexander Mackenzie, Premier of the Dominion of Canada, member for Lambton, &c." (Renewed laughter.) Having thus called your attention to the proprieties, and to the necessity of mending your manners in this respect, I would say it is very strange that this gentleman, who gave us a lesson in deportment, seemed to forget in his speech that he was now Premier. It seemed as if he had been so long in opposition that he fancied he was in opposition still. He had told us in the House some years ago that the duty of an Opposition was to attack the Ministry of the day, and to object to their measures, and that if they did not do so, there was no use in an Opposition; and yet, forgetting that he was a Minister, forgetting that he had to give an account of his stewardship, forgetting that it was his duty to defend his measures, to defend his position, and to vindicate his right to the position he now holds, his speech was entirely directed against the late Administration, against my late colleagues, and my unfortunate self. (Laughter.) You can judge from reading that speech if it is such a speech as ought to come from a Prime Minister. Mr. Mackenzie, in effect, said it didn't rest with us to judge of the competence of the Government, because we had shown our own incapacity to govern. Well, gentlemen, if so, we were out, and were now in the "cold shades" of the Opposition; we had suffered the consequences of our errors, and he ought to have known that a Minister cannot hold his position by the demerits or incapacity of the Opposition. You can judge, gentlemen, from the speech which was delivered in this city the other night, the nature of the answers that we of the Opposition receive in Parliament when we arraign the conduct of the Government. Just in accordance with the tone of that speech are we answered in Parliament when we perform our duty to our constituents and our country—when

we perform our functions as an Opposition in arraigning their conduct, pointing out their shortcomings, and warning them of the unwisdom of their course. Mr. Mackenzie, instead of answering the attacks of the Opposition, instead of justifying the course of the Ministry, instead of vindicating the wisdom of their measures and the justice of their administration, turns about, as he did the other night, and personally attacks the members of the Opposition, tries to change the issue, tries to hark back on a defunct Administration, tries to avoid the discussion of his measures, and to avoid the necessity of defending his course, by making gross attacks upon members of the Opposition, endeavoring to lead the House away from the consideration of his own course, his own demerits, to past issues that are now of no consequence to the country—of no consequence to any one. (Cheers.) We are out of office now; we are suffering the consesequences of any errors we may have committed. It is no answer to say that we were reckless, criminal or incapable; that we had shown ourselves unworthy of the confidence of the people. Supposing that it were as he says, is that any answer to a charge against him or his Administration? If we say, you have ruined our tea trade, you have destroyed our manufactures, you have shaken our credit, you have deprived our workmen of work, you have forced our factories to run on half or quarter time, is it any answer to say that Ministers before them were unworthy of the position they held? We are in Opposition, and there the Conservative Party must remain until recalled by the voice of the people, speaking through their representatives. I can only say, gentlemen, that judging from the facts which have been mentioned by your honoured guest, Mr. White, this evening, judging from the evidence we get every day, the time is not far distant when the people of Canada, rising in their might, will say to Mr. ——, let me say the Honorable Mr. Mackenzie (laughter), Sir, in your two short years of Government, you have committed more sins of omission and commission than were charged against John A. during the last twenty years. (Cheers.) I put it to you, gentlemen, if you have read the eloquent speeches of my friend Dr. Tupper; I put it to you, if you read my impromptu speech on the occasion of the election of my friend Mr. J. B. Robinson, to say if there is one word in those speeches which was beyond the line of our right, if we did not confine ourselves to the discussion of the public affairs of this country, if we did not limit ourselves to legitimate remarks on the conduct of the Administration. Our views may be wrong, but I say this, if you read those speeches, you will not find one word without its warrant. We attacked no private character; we made no fling at private conduct; we never struck below the belt. (Enthusiastic cheers.) But before the people of this country, through the press of the country, we arraigned the conduct of the Administration for their management of affairs, for their legislation, and for no other fault. And, gentlemen, what said Mr. Mackenzie in response to these speeches? He alleged in his speech the other day that he was answering the remarks made by my honorable friend and myself. Was the tone worthy of the Premier of Canada, of a man standing up to defend his conduct, and prove that he was fit for the position that he holds, to show that he had been a faithful steward, to show the wisdom and justice of his administration, and the purity of his party? (Cries of oh! oh! big push, &c.) Mr. Mackenzie made the error that he always does, of mistaking coarseness for strength. (Cheers.) The Hon. Alex. Mackenzie is a countryman of my own; he is a hard-headed Scotchman. He makes clear, well reasoned, logical speeches, but the gods have not made him poetical. He wants imagination, and though his speeches are sound and sensible, and able, they are, I must say, upon the whole as dry as a limeburner's shoe. (Laughter and cheers.) The other day he assumed a new character; he broke out in a new place (loud laughter), and for the first time in his life he favored his audience with a poetical quotation. Now, it rather surprised me when he, the Puritan Premier, had the whole range of British poetry to quote from, that he had preferred to quote that rakehelly old cavalier, Sam Butler. (Laughter.) Poetry is called "a garden of sweets," a "garland of roses," either raising the imagination by the sublimity of the ideas, or charming the fancy by the beauty of the sentiments of the poet. Now, let us call to our memory the quotation made by the Hon. Alexander Mackenzie, which, mind you, he especially applies to the Opposition. It is this:—

"The Prince of Cambay's daily food
Is asp and basilisk and toad,
Which gives to him so strong a breath,
He nightly stinks a queen to death."

(Laughter.) You may judge, gentlemen, from this poetical outburst of the Premier of Canada, of the kind of answers we get in the House. We tell him, "your Pacific policy is wrong." He answers, "you are an asp." (Loud laughter.) We tell him "that the Tariff is a mistake. "You are a basilisk." (Renewed laughter.) We say to him, "how about the steel rails?" "You are a toad." (Laughter.) I have seen him again and again in the House of Commons, give answers not more consequent and quite as polite as the answers I have been supposing at this moment. But I suppose the honorable gentleman considers that this was a specimen of what we call in Scotland "wut." (Loud laughter.) I might say, gentlemen, as I am in the poetical vein as well as himself, that looking at his Free Trade speeches in Scotland and his Protection speeches in Montreal, he might remember four lines of the poet from whom he quoted:—

> "What makes all doctrines plain and clear,
> 'Tis just two thousand pounds a year.
> And prove that false was true before,
> The answer plain, two thousand more."

(Laughter and cheers.) In Mr. Mackenzie's speech, as you must have seen, he attempted to change the issue by talking of our incapacity. He specially contrasted himself and me, and said, what right had I to speak of any one being incapable when I made such a mess of the Washington Treaty. Although that was negotiated by an Imperial Commission, although there were five Commissioners appointed by Her Majesty, of whom I was only the fifth, he said that Treaty showed the utter incapacity of myself, and therefore it did not lie in my mouth to charge any one with incompetence. One of the first instances he gives is that in the Treaty the navigation of the St. Lawrence was made free to Americans for all time, while Lake Michigan was opened to Canadians for ten years only. Now, Mr. Mackenzie must have known, because he has had the papers before him, that instructions were given to the head of that Commission that the freedom of the navigation of the St. Lawrence was to be yielded. The Commissioners had no discretion in the matter; it was an instruction from the Imperial Government, from the Liberal Government, from the Gladstone Government, that we should surrender the navigation of the St. Lawrence. It is true I might have taken my hat and walked back to Canada. But that would not have done Canada any good, because the instructions were positive, and the navigation of the St. Lawrence would have been handed over whether I was there or not. Well, Mr. Mackenzie knew that, and in candour he ought to have told his audience so. Had I been able to do any good by doing so, I might perhaps have walked away; but as this surrender was a foregone conclusion, and as there were other questions coming up, involving Canadian interests more deeply than the navigation of the St. Lawrence, I remained to perform my duty, and I have the thanks of my colleagues in Canada, and of the Parliament of Canada, for doing so. And there was another reason—because the Americans, by getting the free navigation of the St. Lawrence, did not, in fact, get anything. The Treaty provides that the navigation of the St. Lawrence is free for commercial purposes only, and not for war; the United States boundary extends along the south bank of the St. Lawrence to St. Regis; the Americans own one bank down to that point, and therefore have the right in common with Canada to the navigation of the river so far. From the point where both banks of the St. Lawrence belong to Canada, to Montreal, the Americans have really no power to use it, because there is not a single inch in that distance where vessels can ascend the river. They may run the rapids, but they can never return. So we were not really giving the Americans anything. But the latter claimed it as a matter of sentiment, and as theirs by international law, though they knew that without the use of our canals it was worthless (cheers.) It may be said it gives the Americans the right to use the Lower St. Lawrence for commercial purposes. But we give the same right to every nation under the sun; we court, we invite the trade of all nations; and what would the people of Montreal say if the right was ever exercised to exclude this commerce from their port, and prevent the navigation from being free to the world? The Treaty was passed in 1871; it was ratified in 1872, and I ask you now whether the Americans, from 1872 to 1875, in their trade or in their interests, have gained any advantage that you can see? The right the Americans have of navigating from St. Regis to Montreal is no more a disadvantage to us than the rights of a crow or pigeon to fly over the water. We have the whole control of the St. Lawrence yet, for at any moment we choose

we can shut our canals; at any moment we can prevent the Americans from using the St. Lawrence above Montreal. So long as we are on terms we will allow them to use our canals, but we will never surrender the right of closing these canals when we please. (Cheers.) This is one of the instances mentioned to show my incapacity. Then, again, it was said that in the Treaty I actually got a provision inserted that the Yukon and Stickeen rivers in Alaska should be free to British and Canadian shipping, and it was said that liberty was given years and years ago in a treaty between England and Russia. Well, gentlemen, I have told you that Mr. Mackenzie is not a poet. I may also tell you that he is not an international lawyer. I may tell you further that in inserting that clause in the Treaty, the advice of the highest authorities on international law was followed. These gentlemen were of opinion, and the British Government were of opinion, that as Alaska had been handed over from Russia to the United States, we ought to obtain a re-assurance of the free navigation of those rivers to British and Canadian commerce. (Cheers.) Then Mr. Mackenzie said further, looking at the clause in the treaty allowing Canadian vessels to go through the American canal at the St. Clair flats that the Americans had put their works in our waters. That is just the question. The American Government say the improvements are not on our side; we say they are within our line. The treaty says that wherever these improvements may be,—improvements made at the expense of the people of the United States, they shall be free to Canadian vessels, whether on the American or Canadian side. (Cheers.) He goes on to attack the capacity of the late Administration as a whole, on account of the Intercolonial Railway, but if there is one thing the late Administration ought to be proud of, it is the construction of the Intercolonial Railway, which is the best railway of its class and the cheapest of its class in America, (hear, hear). And, Sir, as to the location of that railway, the hon. gentleman states in his speech that he knew that I was opposed to it, that Mr. Tilley was opposed to it, that Mr. Howland was opposed to it, and that Mr. McDougall was opposed to it, and that for the sake of office, and contrary to our opinions, and our consciences, we put the line in its present place, instead of running it down the valley of St. John. (Hear, hear). This statement has been made before, but it has been denied and has been disproved in Parliament, and Mr. Mackenzie, when he was making that statement, knew that it had been disproved, and yet he repeated the old calumny in reiterating the statement, (I do not wish to use stronger language), and he was using this language and making this statement, although he had heard, of course, the statements of all my colleagues and of myself in Parliament. (Hear, hear). Gentlemen, consider for one moment. In 1858 there was an arrangement made at the request of Nova Scotia and New Brunswick, with the British Government, by which the British Government agreed to give a guarantee for half the cost of construction of that road, on condition that the Imperial Government should have the selection of the route. (Hear, hear.) When Mr. Sandfield Macdonald's Government came in, in 1862—it agreed to endorse that arrangement, and carry out that promise. (Hear, hear.) More than all gentlemen, at a later date, in 1864, in the debates in the Parliament at Quebec on the Quebec resolutions which were to form the basis of the Confederation and establish the Dominion, Mr. Mackenzie made an elaborate speech, in the course of which he stated that he was in favour of the Robinson line (the Coast line) as the line worthy of adoption (applause); and I have no hesitation in stating, gentlemen, that that line and that route is correctly located for the purpose of connecting Halifax with the St. Lawrence. Running a line through New Brunswick down the Valley of St. John, with a cross-road to Halifax, would have been no carrying out of that arrangement, and the people of Nova Scotia and a great portion of the people of New Brunswick would have had a right to complain of a breach of faith if the line were not located where it is now. (Hear, hear). But, sir, there are other reasons, and conclusive reasons, why that road should be located where it now is. England had withdrawn her troops, but we had the pledge of England, and her pledges—the pledges of the British Government—have never been violated — (Loud applause) we had the pledge of England that in case we were attacked by foreign foes, no matter from what quarter, and no matter from what cause, the whole military and naval power of the Empire would be exerted in our defence, providing that we gave England the means of defending us by constructing a road, a military road on which she could send her troops with the military stores into Canada, in winter and in summer, to fight our battles. (Cheers). A road down the Valley of the St. John—would have been in no sense a military road; and instead of being a source of strength, it would have

been a weakness. (Applause). A railway running along the boundary, between the State of Maine and New Brunswick would have been a source of weakness, because with the enormous military force the United States have got, in case of war, that Government could at once seize and take possession of the road, making it the means of sending American troops to conquer Canada, instead of its being the means of sending British troops to protect it. (Hear, hear). And more than that, gentlemen,—while the negotiations were going on, and after the negotiations were finished, after Confederation, while we were considering the line and location of the railway, we asked the British Government, in order that there might be no mistake, if it would sanction a frontier line; and the reply of the English Government was that they would sanction no such line—that they would consider that the bargain had not been carried out—that they would grant no guarantee, and that they could not carry out their promise to defend this country effectively with the whole force of the Empire, if that road was exposed, as such a road would be. (Hear, hear, and applause). Now, we have got a railway remote from the frontier—and as long as the naval superiority power of England exists, and as long as the military power of England continues as it is now, that road will always be a military road, and one upon which we can depend for our defence in winter and in summer against all comers. (Cheers). One word more with respect to the Intercolonial Railway. It is true that the Government did attempt to see whether they could not find a central line—not a line running along the Valley of St. John, coterminus with the United States frontier—but through the centre of New Brunswick, and far removed from the frontier, and equally defensible in a military point of view, as the coast line. Mr. Sandford Fleming was sent there for the purpose of seeing whether such a line could be found out, but the report of the Engineer was that the country was impracticable; that the country was so rocky and mountainous that it would cost an immense sum of money to build it, and as Mr. Sandford Fleming reported that not one single pound of freight would ever go over the road if once built in this part, there was nothing left for us but the present route, which after all the *Globe* of the day before yesterday states has already shortened the route for travel between the Western States and England, and by which the mails of this continent and the travel of this continent will hereafter pass down to Halifax. (Hear, hear). Before I leave the question of the Washington Treaty, I will say, gentlemen, there was one matter at which I was especially aggrieved; and that was the omission of a clause providing that the United States should repay to Canada the money expended in resisting the Fenian invasion. (Cheers and applause). Her Majesty's Government, (hear, hear) anxious to settle all matters with the United States, and having ascertained that the claim would not be entertained, refused to press our claims. This was a loss to us, but no humiliation to Canada; if there was a humiliation anywhere, it was to England, but England can afford to bear such a charge. (Applause) It was no humiliation to us, and what did the late Government do when Her Majesty's Government for Imperial considerations, refused to bring up the question which promised to be fatal to a final settlement? We claimed at her hands some compensation, and said—" If for Imperial reasons, for your own purposes, you do not press our just claims; we ask you to compensate us, and, gentleman, she fully compensated us in a manner most agreeable to our feelings. It would have been little consolation to us to have received a sum of money for the sums that these outrages and these invasions cost us; and it would have been little satisfaction to us if we, the people of Canada, felt that this money was to be taken out of the pockets of the British people, our fellow subjects; this would have been no consolation. Canada would have been inclined to submit to the loss rather than throw such a burden upon the over-burdened British taxpayers. (Hear, hear, and applause). But we made an arrangement which fully repaid us without taking one farthing out of the pockets of the British people. We asked England—not to give us money, but to lend us her credit, and Mr. Cartwright is now in England exalting his horn on this arrangement. (Laughter and groans for the Finance Minister). Mr. Cartwright is at present exalting his horn on the strength of the guarantee of the sum of money which England agreed to guarantee for us; and which she has guaranteed for us. (Applause). And this is another instance of our incapacity. (Hear, hear, and laughter.) Gentlemen, my friend, Mr. White, has in flattering terms spoken of the course taken by the several Governments of which I have been a member since 1854. It is not in the spirit of boasting, but it is, I think, in my right, as my record was very lately attacked, to point out and recall to you events which occurred from the year 1854 to the 1st of July, 1867, when, with the exception of forty-eight hours in one instance,

when the Brown-Dorion Administration came into office (cheers), and with the exception of twenty months during which Mr. Sandfield Macdonald's Administration lasted, I was a member of the various Governments which swayed the destinies of the old Province of Canada (Hear, hear, and applause);and I hesitate not to say that between these two dates no country in the world has ever developed so vastly, so quickly, or so thoroughly (loud applause and voice " that is so,"); whether you look at her material, her moral, or her intellectual development, in every possible respect the improvement and development of Canada has grown with scarcely a let or hindrance in the long period during which we enjoyed the confidence of the people of Canada. (Applause). We claim for ourselves that we governed this country wisely and well; and we point to the Statute Book for our legislation, and we point to the state of the country in 1854, and to the state of the country in 1873 to prove the truth of my assertion as to the wisdom of our administration. During the whole of that time we were assailed, hindered, and harrassed by a most unpatriotic Opposition. (Hear, hear). I am a strong party man; I will go as far in favour of my party, and in upholding my party, and in securing the success of my party as any other man—as far as a British statesman can or ought to do (hear, hear, and applause); but I will not do it, and I have never done it, if there was a question of the interests of my country. (Cheers). Our maxim has always been—by a party, with a party, but *for* the country. (Hear, hear, and applause). But Mr. Brown's and Mr. Mackenzie's maxim has been—By a party, with a party, and for a party (hisses and groans); and Mr. Mackenzie very naively in his speech the other day, admits it. I had said in the gaiety of my heart—inspired by the victory of my friend Mr. Robinson—(Hear, hear)—I had said that when the Grits came in about thirteen years ago, the weevil came in with them, and that two years ago they brought in the Colorado bug. (Laughter). Mr. Mackenzie replied in his speech: "Well, I have got to say this: if I have to choose between John A's Government and the Colorado bug, I would choose the Colorado bug. (Laughter). That is just the spirit of the man and of his party. (Loud applause, and voices, "that's correct"). He would rather have plague, pestilence and famine; he would rather have Colorado bugs (laughter), locusts and caterpillars, (laughter), war and ruin (hear, hear), distress and panic, anything, everything, no matter what it might cost the country, no matter how the interests of the country would be prejudiced by it, he would rather have this country afflicted with them all, one after another, than see John A. go in and Mr. Mackenzie go out. (Hear, hear). I say, gentlemen, from 1854 until we resigned, we had to meet an Opposition of that kind. Mr. White has referred to the burning questions of those days; he has alluded to the clergy reserves which affected the people of Upper Canada, and he has alluded to the Seignorial Tenure, which affected Lower Canada. As far as Upper Canada was concerned, William Lyon Mackenzie declared in his place in the House and in his book that it was the question of the clergy reserves which mainly caused the rebellion of 1837; and we all know how Lower Canada was shaken to the very centre by the oppressions, if I may use the expression, of the old feudal system, of the old Seignorial tenure. These questions were used as means of agitation by the Rouges in Lower Canada and by the Grits in Upper Canada; they did not want to have them settled, for this would have deprived them of their tools in trade; and when we took hold of these questions—first of the clergy reserves and settled that question—we had the opposition of Mr. Brown and the whole of the Grit party, (hear, hear) and why? because we compensated vested interests. Although the clergy had the right, by a solemn act of the Imperial Parliament, to one-seventh of the Province for Church purposes, and although they had acquired certain vested rights under that act, we compelled them to surrender all on the basis of their life interest rights by commuting for the life of the incumbent of the parish; although the British Government declared that they would never allow the secularization of the clergy reserves unless compensation was given to those clergymen—the Opposition knowing that, resisted with all their might that settlement, and we had to carry the measure at the point of the bayonet. (Hear, hear). And so it was in Lower Canada. We were opposed by the whole force of the Opposition of that day in the settlement of the seignorial question, but we carried it notwithstanding the stern opposition on the one hand of the Seigneurs, who naturally did not want to be deprived of their feudal rights, and on the other hand, of the whole force of the Rouges in Lower Canada, and, gentlemen, the Grits of Upper Canada, who refused to give one single sixpence out of the public treasury to compensate the Seigneurs for the loss of their property; so we had to carry that question also by the point of the bayonet (hear, hear), despite the opposition in Upper Canada

and the opposition in Lower Canada. (Applause). And if the *habitant* of Lower Canada now feels that he is a yeoman, and a freeman, no longer weighed down by servitudes coming from an older and more barbarous age, and if, in Upper Canada, we find that there is no question between the churches—that there are no religious dissensions there, all standing on an equal footing, and the clergy of the Church of England who were the great sufferers submitting calmly and cheerfully to their great loss for the sake of the peace of the country, it is due to our administration, (Hear, hear, and applause). When these questions were settled for a short time the country was in a state of apparent quietude, which did not satisfy Mr. Brown and the gentlemen opposed to us; and as Mr. White said a little while ago they looked around for a source of attack—for a "burning question,"—and where did they find it? Gentlemen, Lower Canada had been, against the will of Lower Canadians, and against the will of a considerable minority in Upper Canada, joined in a forced union in 1841; the old feelings of hostility still existed, and the ashes of the old fires of 1837, '38, and '39, were still hot. It required the patriotic exertions of every public man—of every man anxious for the good of this country, to calm that excitement, to soothe the irritation of one race against the other, and to allay the natural suspicion of the people of Lower Canada, that their language, their institutions, and their religion, were likely to be assailed. It was the duty of every statesman to do this, and to have forgotten party in the doing of it. (Hear, hear, and applause). Was that done, gentlemen? Why, the most nefarious—I can use no less strong term—the most nefarious attempt was made to set the two races in hostility in order to injure the Government. You may remember, gentlemen, how I was called in Mr. Brown's paper (the *Globe*) from one end of Ontario to the other, a slave to Lower Canada; I was a slave to French domination, and I was the tool of the priesthood, because knowing, as I did, that we must get Catholics and Protestants, Frenchmen and Englishmen to work together for the country's good (cheers), I maintained an even course—and to show that we were right in the course we took, I may say that while I was charged in Upper Canada with being a subservient tool of Lower Canadian interests, my revered friend and colleague, Sir George Cartier (great cheering), was told by the Rouges in Lower Canada that he was my tool and my slave; that he was neglecting all French Canadian interests, and that he was little more than a French-speaking Englishman. You may remember how Protestant fanaticism was roused in Upper Canada against Roman Catholics, and how Lower Canadians were insulted; how their race, their language, and their religion were derided, and how the attacks went so low that even those houses employed in works of benevolence and of education, in charity and devotion, by the Roman Catholic Sisterhoods, were assailed by the *Globe* in language I would not pollute my lips by repeating here. (Cries of bravo, and cheers). We had to meet that line of opposition, gentlemen, steadily and constantly from 1854 until 1867; and our triumph is all the greater, and the credit we ask at your hands, and the credit we ask at the hands of the people of Canada for our successful administration of our affairs is enhanced by the unholy, the unpatriotic and the wicked opposition that we persistently received (cheers). To show that this party have no right even to the credit of being honest or conscientious in their fanaticism, that same paper, and that same Mr. George Brown, who insulted Catholics, their religion and their institutions (hear, hear), is now the humble servant of the Archbishop of Toronto (hear, hear), publishing his pastorals, and through the slaves of his lamp and ring, Messrs. Mackenzie and Mowat, bartering offices with the Catholic League in Upper Canada, right and left in return for political support (hear, hear), so much so that in Toronto we are told that unless you are an Irish Roman Catholic you need not apply for office (laughter); but the great Irish Catholic body in Upper Canada will not long submit to that kind of thing. They are a noble body (hear, hear)—and I have reason to speak well of them. They will not allow themselves or their votes to be put up to bargain and sale. (Hear, hear, and applause.) In my constituency, gentlemen, during my two last contests, when the two Governments—the Government of the Dominion and the Government of Ontario—were pulling every strong string, and making every effort, and using every means, fair and foul, for the purpose of defeating me (hear, hear), the Irish Catholics stood by me almost to a man (cheers and applause); and if I am here now speaking to you as a member of the Canadian Parliament, if I have the right to fight the battles of my party, and if I have the right to speak your sentiments, as I hope to be able to do (hear, hear, and loud applause) in Parliament, I owe it to the Roman Catholics of Kingston (loud applause). In

1864, the consequence of this unpatriotic course of the Opposition was that no Government could last for any time. In 1862 we were defeated because the Government of that day had brought down an ample, sufficient and carefully considered Militia Bill—and, remember, that was in 1862, when this country was in great danger; when war was raging in the United States; when England and the United States had been on the verge of war again and again (hear, hear); and when it was an absolute matter of necessity that Canada should put on her armor and prepare to defend her own shores and her freedom (applause)—for that necessary measure we were defeated on that occasion. Mr. Sandfield McDonald's Government was formed, but it was so weak that in twenty months it was defeated, and resigned; another Conservative Government was formed by Sir Etienne Tache, but it lasted only a few months, and that Government was also defeated; and so in 1864 it was found that such was the hostility between Upper and Lower Canada engendered by the Grits, that all Government was rendered impossible. Mr. Brown claimed representation by population; Upper Canada had a larger population, and therefore should have a larger representation; but, gentlemen, the course taken by Mr. Brown rendered the grant of representation by population tion by Parliament impossible. No French Canadian who had any respect for his country—no French Canadian with a desire to protect the institutions under which he was bre d and born, under which he lived, and which he respected and revered, could yield on that question—although in the abstract it was admitted that the principle of representation by population was sound. But what said the French Canadians,—and if I had been a French Canadian I would have taken that line myself (cries of bravo and applause)—what said they—"representation by population, if we were going to have fair play, might be all right enough, but we are warned beforehand—we are told by Mr. Brown and the Grits, that they are going to sweep our language, our laws and our institutions away entirely, and that they are going to force British institutions upon us; they have assailed our religion, they have assailed our priesthood, and they have assailed our religious institutions, and everything that is dear to the heart of a French Canadian; therefore as to the demand for representation by population, we will never yield to it; we would rather sever the Union, no matter what the consequence might be; representation by population cannot be granted; we cannot hand over ourselves and our children to the tender mercies of these gentlemen." (Cries of bravo and cheers.) The Government was at a dead-lock, and Mr. Brown at last became sensible of the consequences of his unwise and factious course; and the only patriotic thing that man ever did in his life—impelled by a sense of fear for the consequences he had himself rendered imminent by his course—was to coalesce with me for the purpose of forming a larger Union, and carrying out the Confederation of all the British American Provinces. (Hear, hear.) To be sure, gentlemen, he deserves the credit of joining with me; he and his party gave me that assistance in Parliament that enabled us to carry Confederation, and if we now are a Dominion, we must not forget that it was owing in great measure to Mr. Brown's momentary feeling of patriotism, of which, however, he soon repented. It was not before it was time that Confederation was carried, for, as I have already said, the Government was at a dead-lock, and we were in danger of anarchy and civil war, or severance. Now we have a Dominion; now we have all the Provinces united; now we feel proud of being a great power—but not a power separated from England; we desire no such separation—(loud cheers)—but a great auxiliary power, strengthening the hands of the Mother Country—rejoicing in that alliance, proud of our Mother Country, and feeling that we are becoming a great people, as the people of the Dominion of Canada, but that we are a still greater people in being a portion of the British Empire. (Great cheering and applause.) Gentlemen, as I said before, Mr. Brown soon repented of his temporary aberration into patriotism (applause), and quitted the Government because we thought he was not a safe man to go to Washington, and I think his late escapade there showed we correctly gauged his capacity. (Cheers.) He left us, and although he professed to be still friendly to the Union, and still anxious to strengthen our hands in carrying out Confederation, almost from the moment he left us he and his party attempted to thwart us in every possible way, and coalesced with those who were opposed to the Union. They joined themselves to the Anti-Unionists in the Lower Provinces, and did everthing in their power to thwart our attempts to carry out the scheme of Confederation. (Hear, hear.) Just look back and remember how they treated Mr. Howe (hear, hear.) If any one had claims upon the Liberal Party of Canada, Mr. Howe had that claim. (Hear, hear.) As

leader of the great Liberal Party of Nova Scotia, as an early advocate of Responsible Government, and as a foremost member of the Liberal Party for years and years (hear, hear)—and not only as the foremost man of that party, but as a great man in himself (hear, hear)—he had claims for their respect. But remember, gentlemen, how they ridiculed that man, when he came and lent his aid to Confederation in Parliament. With what ridicule, with what contumely he was attacked; how he was sneered at and derided. Why, gentlemen, he was charged with selling his principles by coalescing with me and joining the Administration. Now I take this opportunity of stating, in justice to the memory of that great man, that of all the patriotic acts Joseph Howe ever performed, he never performed a more patriotic act than in joining the Government of the Dominion (applause and cheers). What had he done? He had fought the battle against Confederation; he had fought it ably and well; he had fought it in the Legislature of his own Province, and he had gone home to England and fought it in the Parliament and with the Government of England, and when he came back, finding his exertions were unsuccessful, there was only one thing for him to do—either to accept the position or tell the Nova Scotians that they must take the next step and resist the Union by force. Mr. Howe was not prepared for that course. He had gone to the utmost extent of legitimate opposition to the measure, but when he found that any further step was certain to cause bloodshed and ruin to his native Province, he accepted the inevitable, and came to aid us; but he came only after he had got from us a promise that certain claims which Nova Scotia insisted on through him should be granted. He said:—"Grant us these; we think we have a right to them; grant us these, and I will consider my position." I said:—"Mr. Howe, we will grant you these for the sake of peace; we will carry them through Parliament. But we will meet opposition to such a concession, and we cannot hope to carry it out unless we have the assurance that it will be accepted by Nova Scotia, which assurance can only be given by your coming into the Government." He was unwilling to do so; he fought against it and resisted it, but when I told him that it was a *a sine qua non*,—that we could not guarantee better terms to Nova Scotia and make a settlement, unless on conditions of his becoming a member of the Government; then only he accepted the position. Mr. Howe sacrificed himself, knowing full well the obloquy he was submitting himself to, but for the sake of his country he joined the Government, and all he foresaw came to pass. He was derided; his motives were attacked; it was said that he came into the Government for the sake of office, and they hounded that man, when he went to his constituency, gentlemen, almost to his grave. (Applause.) And so with New Brunswick. It was part of the Washington Treaty that we should purchase the export duties reserved to that Province by the Union Act. When we did pay for these duties for the sake of enabling us to carry out the Washington Treaty, Mr. Blake the other day, or rather last year, in his speech at Aurora, said that we had purchased New Brunswick by giving thrice the value of the rights and privileges surrendered. We had to meet that charge as to New Brunswick, as we had to meet the "better terms" to Nova Scotia. So in Manitoba. The Government was accused of having paid too much for the North West Territories, but never was there a better bargain made by any country than when we got all the great North West, extending from the western boundaries of Ontario to British Columbia—when we got all that country for £300,000. I believe that the Hudson's Bay Company has sold in the vicinity of Winnipeg their land for nearly that amount (hear, hear, and applause), or nearly the amount we paid for the whole, Gentlemen, when we endeavored to get possession, and when we sent Mr. McDougall in advance for the purpose of examining the country and studying its institutions, and preparing the people for the change, you may remember how fiercely he was attacked, how the Government's policy was attacked, and how before Mr. McDougall even arrived there, the suspicions of the half-breeds and natives and inhabitants were aroused, so that he had no fair play, and before he reached there he was condemned, the policy of the Canadian Government was condemned, in a great measure by reason of the unpatriotic conduct of the Opposition and the suspicions instilled into the minds of the people where the lamentable disturbances took place which we all lament; and England and Canada had to join in sending an armed force to the Red River in order to remove the fear of a civil war and to suppress an armed insurrection (Hear, hear). Then, gentlemen, with respect to British Columbia—I have now come to British Columbia. Canada as a Dominion would be incomplete without having a Pacific, as well as an Atlantic coast. (Applause). Why, sir, the situation in British Columbia had become almost insupportable; far remote from England;

unable to communicate with Canada in consequence of the wilds and wastes that lay between us and her, and the high ranges of mountains that separate us; severed from Britain by distance, and in close proximity to the United States, dealing with the United States every day in commercial matters, and the United States apparently planning to get possession of her. Why did the United States buy at an enormous price the comparatively worthless country of Alaska from Russia? Obviously for the purpose of enclosing British Columbia between the two—with the United States to the north of her in Alaska, and the United States to the south of her in Oregon—severed from Canada, severed from England, with all her trade and all her relations with the United States, expecting that the mere despair of the people of British Columbia would eventually force them to seek for political connection with the United States for the purpose of enjoying the commercial advantages that would follow. (Hear, hear). And, gentlemen, the loss of British Columbia and her annexation to the United States, giving her the control of the whole of the Pacific, would have been the ruin of the Dominion in the future—in its prospects and in its greatness. Why, with the United States extending along our whole Southern frontier, and across British Columbia from the North Pole to Oregon, the consequences would have been such that the prospect of Canada being a Dominion in reality would have been lost forever. (Hear, hear). Now, gentlemen, in 1871, we made arrangements with British Columbia, and you know what they were; you know how they were fought step by step by an unpatriotic Opposition. Although it is provided in the Act of Confederation, which made this a Dominion, that British Columbia, Newfoundland and Prince Edward's Island should be invited to come in, and that a place should be kept for them, they opposed the union of British Columbia in every possible way. You know the stern opposition—the factious opposition—that was offered to the construction of the Pacific Railway, and without such railway we could have no real connection with British Columbia. It would have been merely a union on paper, and no connection in fact; and she would still be alien, alien in interests, and alien in prospects and hopes unless we have the Pacific Railway. (Cheers). Gentlemen, I shall not discuss to-night with you the question of the Pacific Railway. (Cries of Go on! go on!). No, gentlemen, I shall not do so, and for a reason that you will agree with me is a sufficient one, because my friend Dr. Tupper takes it (applause), and I am leaving it to him. He will do it as he has already done before other audiences; he will explain to you the policy of the late Government—how that policy was thwarted—the factious manner in which it was thwarted, the way it was defeated, and the way we were driven from office; and explain to you also with his wonted power and eloquence, the abortion which this Government has been attempting to father upon the people of Canada instead of our scheme. If our plan had been carried out, with the company that was formed and the charter given by the "charter sellers," as we are called (laughter) the charter that was given to 13 representative men from every Province in the Dominion, that company would have been successful; money would have been obtained on its bonds, the road would ere this have been in progress, from Winnipeg to the frontier would have been built by this time; the railway would have been pushing its way through the valley of the Sackatchewan, extending from Lake Superior westward, and from Lake Superior eastward, and that would have been done, gentlmen, done by a company of capitalists with a subsidy of thirty millions of money and fifty million acres of land from the Government. (Voice Very true! and applause). Now, gentlemen, you know well—you may remember the names of the men that undertook that great work; my friend, Dr. Tupper, if you wish to be reminded of them, will repeat the names of the thirteen gentlemen who got the charter—men whose position, whose rank, whose wealth, whose experience, and whose acquaintance with railway affairs were a guarantee that they knew what they were about when they accepted the charter and undertook the work. (Hear, hear). They were willing to accept the responsibility and undertake the work, and it would have gone on, gentlemen, if it had not been for the unpatriotic course taken by the Opposition, and the reviling and the raising of false issues, and the telling of false stories with relation to the policy of the late Government. (Hear, hear). Now, gentlemen, the arrangement that we made was that this Company was to get thirty millions of money, to be given them as the road progressed, and to give them fifty millions of acres of land in alternate blocks, and that the Dominion of Canada were to keep fifty millions of acres also in alternate blocks. It was calculated, that looking at the price of land along the United States Northwest, at least this land should be worth $2.50 an acre; and we agreed for a certain time, to give the Company a fair chance, to dispose of

/ 2 5

the lands, that the price of the land lying along the railway should not be under that sum. If we, gentlemen, got for the fifty millions of acres we kept, $2 50 an acre—or if we got one hundred cents per acre—this would have been fifty millions of dollars, and would have covered the thirty millions we were to advance as a subsidy and all the interest upon it (cheers and applause), so that we would have the railway built by these gentlemen by a cash advance of thirty millions of dollars, with the certainty of those thirty millions of dollars being recouped, and returned to the people of Canada by the sale of fifty millions of acres of land reserved. How that great scheme was wrecked, my friend will tell you; and I must say to you that it was a bitter disappointment to me, as it must be a bitter disappointment to every man who is anxious for the development of the country, and to see its growth as a Dominion— that this scheme did not succeed. Until that road is built to British Columbia and the Pacific, this Dominion is a mere geographical expression, and not one great Dominion; until bound by the iron link, as we have bound Nova Scotia and New Brunswick by the Intercolonial Railway, we are not a Dominion in fact. I had hoped gentlemen---it was naturally a pride of mine—I had hoped, old as I am, that I would still have been spared to see the first train cross from Ontario to British Columbia (hear, hear)—I had hoped that I might have been permitted to have seen the union take place, and then indeed, gentlemen, as a Canadian, who had something to do in the origination of that union and in the joining of these great provinces, I could have cheerfully sung my *nunc demittis.* (Cheers.) I will not discuss, for the reason I have given you, the abortive plan of the present Government, which has been substituted for our great, our wise and patriotic scheme, but I will say this — that I do not believe the scheme announced by Mr. McKenzie, a year ago, will be carried out, and I believe that next session will see the withdrawal or modification of the proposition. We know perfectly well that Mr. Blake, who has come into that Government, not more than a year ago, denounced the scheme, saying that it was an impracticable scheme, an extravagant scheme, and far beyond the means of this country; saying that British Columbia was merely a sea of mountains, and intimating that British Columbia, if she did not choose to accept what was offered, and would insist upon the fulfilment of the original scheme, might go out of the Union. I believe, gentlemen, we will see at the next session a further abandonment on the part of the present Government of the plan imperfect as it was, and as it is—and God knows what they are going to substitute instead of it (hear, hear). Well, gentlemen, we went out—we resigned, in consequence of the cry that was got up against us,—a false cry. False issues were raised against us by the insidious resolution of that great and good man, Lucius Seth Huntington (laughter and groans); by his insidiously-drawn resolution it was insinuated, and almost in terms expressed—that the Government had entered into a nefarious conspiracy with Sir Hugh Allan, with Jay Cook and Company, and with the Northern Pacific Railway, represented by Yankee speculators, to hand over the railway to United States influences and transfer the control of our land and to give the subsidy of thirty millions to the Americans; and that after having drawn and expended these subsidies, they would proceed for their own purposes, to the building of their own Northern railway. This statement was widely disseminated, was sown broadcast over the land, and it went like a wave over the Government. What though we explained and proved the falsehood of it? The popular mind was surprised and captured by the cry, and we resigned, gentlemen, in consequence of the flow of that wave. The country now knows how false these charges were, and that the real reason we were attacked was because we would not give Americans any interest in the undertaking—(hear, hear and applause)—because we would not give a sixpence into their hands, and because we insisted that the contractors, the shareholders and everybody who had any connection with the railway should be British subjects (hear, hear and applause), in order to keep the control of the road in Canadian hands. In consequence of our rejection of every attempt of the Americans to get possession of our road, and the control of its affairs, they conspired with some gentlemen in Montreal, and by means gentlemen, which you know well, resignation became requisite. We resigned, and now, the sober second thought of the country sees, that while we were fighting the Canadian battle, while we were attempting to construct that great railway through Canada, with Canadian and British capital, and with Canadian and British influences and means, the completion of the present scheme, so far as ascertained, is calculated to divert Canadian trade into American channels, and to open up to American interests our great railway means of communication. (Hear, hear.)

Gentlemen, as we resigned, Mr. Mackenzie was sent for to form a Government; on the 6th of this month they have been in two years, and I would ask you, gentlemen, if their record for these two years has not been growing pretty fast. If you look back at all the charges brought against the Governments with which I have been connected since 1854—for twenty long years,—had there been such charges of incapacity, and mal-administration against me as have been formulated and established during these two years against the Administration of Mr. Mackenzie (hear, hear), what would have been said? Why gentlemen, the Government in the first place commenced with a political fraud on the face of it. It was known that although Mr. Mackenzie was at the head of the Government, he was a mere instrument in the hands of Mr. George Brown, (hear, hear, and voice—Big Push); and that the influence of that gentleman, although still great, was on the wane; and it was therefore thought that to appeal to the people with Mr. Mackenzie only at the head of the Govment might not be so successsful as could be wished. So Mr. Blake went into the Government without a portfolio, in order to lend the weight of his name to the Ministry, and they went to the polls as the Mackenzie-Blake Government, but the moment the elections were carried with the assistance of Mr. Blake, and the aid of his friends, then, he resigned office, and as I stated in the House, instead of the country having what they bargained for—the great Blake-Mackenzie Government—the brand-new article, they had the old brown stuff after all, (applause and laughter). Well, gentlemen, there was the same want of candor; with the new Ministers, when they took office. They had pledged themselves not to dissolve, in order to carry a vote against us, evidently, and that is proved by the fact that every one of the new Ministers went to his re-election for the old Parliament. To put us off our guard, they made believe that there would be no general election, and having thus deceived the people of Canada, they suddenly rushed on the elections—made what was called in England, "the night march." They took us by surprise; the experiment was tried in England, but it failed. Mr. Mackenzie tried it in Canada, and he succeeded for a time, but he sees now at an early date, that he is receiving as his reward the contempt of the people of Canada—for his want of candor, and for the clandestine mode in which he proceeded on that occasion. (Hear, hear and applause). If you will look at his address delivered to his constitutents, gentlemen, you will see that he says, that he was forced to dissolve in consequence of the corruption used in the election of 1872, (cries of Oh! Oh!)—that in consequence of the corrupt use of money by the Government of the day—of 1872—he was obliged in order to raise the standard of political purity in Canada (great laughter), to do this; and, gentlemen, the revelations before the Judges have shown you, where the "purity" was [hear, hear]; the revelations made before the tribunals of the country have shown that the challenge I gave in Parliament —that I would prove that they spent $2 to our $1 in the elections, (cheers) was true; and, gentlemen, these revelations are so extraordinary, that had I said $10 instead of $2 to $1, it would have been nearer the mark. (Cheers). Gentlemen, we have only touched the edge; we have merely clipped the shell, and we have not got into the centre of the egg. (Great laughter); and judging from the few trials that we had, and the exposures made on these few trials, it was clear that more money was spent in two of them than was subscribed by Sir Hugh Allan for all the elections in Ontario (applause); and, gentlemen, if we had proceeded in the same course that they did—if we had bribed their men—if we had stolen their papers (hear, hear and a voice: "Office letters!")—if we had filched their letters (cries of yes! yes! and applause)—if we had bribed their confidental servants, to come and tell all they knew (applause), and if we had stolen their cyphered telegrams (applause)—we would have an array of evidence, gentlemen, (hear, hear), to show that Mr. Mackenzie was not far wrong in stating that the Parliament in 1872 was a corrupt one, and it would also show that the corruption was on his own side. (Cheers and voices "give a Big push," "will you be one?") But gentlemen, one letter did come out. The Hon. Mr. Brown wrote a letter, he who had denounced the late Government for their conduct, who had denounced the late Government for their expenditure in elections, and who had denounced the late Government for having corrupted more or less the political morals of the people; and he writes: "we have been doing splendidly in the elections (laughter); but we have exhausted ourselves (laughter), and we must make a big push (cheers and laughter); and we must carry East and West Toronto (laughter), and 'will you be one?'" (laughter); and then Mr. Brown did the most incautious thing he ever did do, published a letter in the *Globe* confessing the sin, and admitting the letter as genuine and really and truly, his. (laughter).

/131

It is said of him by his friends that he was guilty of too much candor; but Providence delivered him into our hands—he was for once candid, and published the admission, or the readers of the *Globe* would never have believed that he could have written such a letter (applause) and thus was made patent to the whole country, his hypocrisy—the gross hypocrisy of the Hon. George Brown, who was maligning and attacking us—assailing us personally, politically and socially, in our characters as men, and as gentlemen, for having raised and expended money at the elections, when he himself had been raising money, stating that they had exhausted themselves and their funds, and asking for a "BIG PUSH" to gain two elections, (cheers and applause), on the following Saturday and Monday, (Cheers). Now, gentlemen, that could not have been for the purpose of legitimate expenses, those must have already been incurred; that is to say, for printing, advertising, for employment of canvassers, for getting canvassing books, for paying for committee rooms, &c., &c.,—that was all past and the elections were coming on within two or three days, for Toronto, on the next Saturday and Monday, and he asks for a "Big Push,"—in other words, to have the money there to bribe electors (cheers); and he also asked the Hon. John Simpson, "*Will you be one?*"—(Great laughter).—Will you be one? And at this very time, gentlemen, he was writing up, as if he were pure as "the icicle that hangs from Diana's temple," (laughter); he was writing up the purity of the Party. Yes! they were going to elevate the standard of political morality, and crush and put down for ever these corruptionists who had so long and so fatally governed this country (laughter). Mr. Simpson says that he never answered that letter, and that he never sent the money (laughter); he says that in a telegram to an Ottawa journal, for Mr. Brown has never published the denial in the *Globe*. The fact of the matter is—Mr. Simpson's statement may be literally true; he may not have spent his own money, but he controls a Bank, and may have spent the Bank's money (cheers); and gentlemen you see that the Bank has got its reward (applause); and Mr. Simpson, with the candid cynicism characteristic of the highwayman, actually wrote to shareholders and others, having an interest in, or being customers of the Bank, and stated in effect that "the new men are great friends of mine; they are political friends of mine; if you help them, in the first place, I will get the control of the patronage of this part of the country, and then it will be a good thing for our bank" (applause); and the consequence is that he has done a first rate stroke of business for the banks (applause). Gentlemen, when acts of this kind are committed, they always bring their own retribution, and much of the weakness of this Government arises from the consequences of this arrangement between the Government and the Banks. Gentlemen, in order to be sustained by certain banks, the Government evidently promised to make deposits in certain banks; and it did make these deposits, and the banks had to sow the money they received broadcast over the country; and although the country was suffering from over-importation and over-speculation, the consequence of a long series of successful years, the Banks increased the inflation by spreading this money broadcast, and then after this money had been loaned out in the country, the inevitable reaction took place, and Mr. Cartwright, with the financial sagacity which characterizes him (prolonged cheers and applause)—of all times in the world, when there was distress and want of confidence, and an approach to a panic, sends notices to the Banks telling them to pay up (laughter); the consequence was that they shut down suddenly on their customers, the undue inflation was succeeded by undue restriction; the customers of the Banks were injured and crippled in their resources by these notices of Mr. Cartwright. You see then Gentlemen, that the consequences of that inflation and the subsequent restriction, were that a large increase of distress, of misery, and of commercial ruin, has been caused, and are both equally chargeable to the Government (Applause and cries of that's true), Gentlemen, they are a happy family in this Government (laughter);—a very happy family. Mr. Mackenzie says that he intends to remain in office a long time (laughter)—he has given his word for that, and yet it is strange to say, gentlemen, his colleagues do not seem to think he is going to last very long [laughter]. Within only two years, or within eighteen months I think, they have lost four of their Ministers [laughter]. Well, these gentlemen did not seek retirement for its own sake, not they; they drew $7,000 each of them, and that is something in hard times, until fitly provided for [laughter]. First they had the leader of the Rouge Party, the Hon. Mr. Dorion, a gentleman of whom I wish to speak with all respect—a tower of strength to his Party: but he could not have had confidence in the continuation of the Administration, and he accordingly took the Chief Justiceship [hear, hear], which office he at present so worthily fills. Mr. William Ross, the Minis-

ter of Militia—the Minister of war—[laughter]; he did not exactly change his sword into a ploughshare, but he took up a quill at the Collector's office, in Halifax. [Applause]. Then there is Mr. Fournier, the Minister of Justice—Minister of Justice for a while, and Postmaster-General for another little while, who, after his long toil, his anxious labors, in the many matters of State, in which the country and public are interested, resolved to take office, worn out and wearied by his continuous labors—[laughter]—retiring to the soft cushions of the Bench of the Supreme Court. [Applause.] Then there is the other Postmaster-General [laughter], my namesake, Mr. Donald A. Macdonald—the gentleman who put the screws to the postoffice employes to make them vote for the Government. Mr. Donald A. Macdonald is now holding an anxious office—the anxious office of Lieutenant-Governor of Ontario. [Laughter]. It is said gentlemen, for rumours will get abroad too, that even that great and good man, Lucius Seth Huntington [great laughter], will be soon provided for; and that he is going to deprive the Dominion of Canada of his wondrous ability, of his active zeal, of his industry, [laughter], of his legal knowledge [laughter], and of his commercial probity [applause]; he too, it is said, is going to deprive the country, and Parliament and Government of his services, and what his future is to be, the future alone can tell. It is also rumored that Mr. Laird, the Minister of the Interior, having gone up the Sascatchewan, and seen what a fine country the North West is, and having sat in council with the Black Feet and Crees, wishes to go and be the Lieutenant-Governor there, leaving Prince Edward Island to its fate. [Laughter and applause]. Then, sir, Mr. Blake, who resigned, as soon as by the assistance of his name Mr. Mackenzie had carried the elections, from that time for the first session gave a very feeble support to Mr. Mackenzie and his Government, and last session he showed a scarcely concealed hostility. He attacked some of Mr. Mackenzie's measures, sneered at his want of parliamentary knowledge, and upset him for a mistake in parliamentary practice, just to show what he could do; and he further opposed his railway scheme out in Vancouver Island. I do not believe he voted against it, but he became one of those vanishing views [laughter], dissolving views. Oh, yes—he did vote against the Nanaimo & Esquimault Railway, the dissolving views have reference to another measure. [Laughter]. The member for Cumberland, Dr. Tupper, had shown that the Government had been guilty of direct breach of their own Pacific Railway Act. That Act provided that a telegraph line should be built along the line of the railway after it was located. Well, they had not located the line, and they could not, because they had not surveyed the line—but Mr. David Glass had to be paid for his services, and the Government actually contracted for the construction of the telegraph before the location of the railway was determined upon. That was exposed by my honorable friend, and when a motion was made upon it, it was then that Mr. Blake and his party followed him. Mr. Moss and Mr. Mills, the philosopher of Bothwell, became dissolving views, and popped out at the back doors [laughter]. I said Mr. Blake's opposition was scarcely concealed; it was, in fact, not concealed during the second session; I tell you that he opposed the Government measures, and gave the cold shoulder to Mr. Mackenzie as leader; he sneered at him, "he showed his teeth." But as I heard Judge Sicotte once remark to my friend Mr. Holton, who was making a speech in the House, and "making big eyes"—"Mr. Holton, you may make as big eyes and look as ugly as you like, but you won't frighten me" [laughter]. Mr. Blake was making big eyes and looking as ugly as possible at the First Minister of the Crown. He started the *Liberal* newspaper in the hopeless attempt of writing down George Brown and the *Globe*. Then arose Mr. Brown, in his might, and putting out his mighty paw on both Mr. Mackenzie and Mr. Blake—for he knew what his power was—he said: "Gentlemen, no more nonsense; you two cannot quarrel; Mr. Blake, you must squelch that *Liberal* of yours; Mr. Blake, you must go into the Government of Mr. Mackenzie; the Premiership is not for you; that is meat for your master; you must fall into the ranks; Mr. Blake cease making big eyes, and squelch the *Liberal*." "To hear was to obey," and down went the *Liberal*. He fell back among the ruck of the Ministers and took a back seat with the A. J. Smiths and Burpees, and all that kind of people. (Laughter and applause). As Mr. Mackenzie has been of late in a poetical mood he might, in thinking on the fallen state of Mr. Blake, like Timotheus or Dryden

"Have sung Darius great and good,
"By too severe a fate;
"Fallen from his high estate,
"And weltering in the mud."

[Applause and cheers.

Well, gentlemen, that was the first session---look at that for a first session. They say it requires a new member of Parliament a session to learn where to hang up his hat, and it should certainly require one session for a Minister to learn how to manage the House. However, Mr. Mackenzie did something---he brought down the Pacific scheme, and you know all about the tariff brought down hy Mr. Cartwright. Mr. Mackenzie said the other day that every tariff is objected to by some one; that whenever an interest is affected that interest will object; but this was a tariff which holds the unique position of receiving opposition from every one. (Laughter and applause). Gentlemen, there are 252 persons before me here, and there are four millions of people in the Dominion, and if you will find any one among these 252 or any one of the four millions of the inhabitants of Canada, any man, woman, or child, that could say a word in favour of that tariff, then I will sit down. (Laughter). Virgil tells us of Aeolus who went to the Cave of the Winds, and letting all the winds north, south, east and west escape, they rushed out and sank the devoted ships of Aeneas. *Una eurusque nctusque ruunt creberque procellis auster.* Just in the same way, from the north, south, east and west, deputations flowed into Ottawa and overwhelmed Mr. Cartwright. (Hear, hear). They came from all quarters, by all trains, and in all sorts of conveyances (laughter); and they protested not against one article, but against every item, against every change, and every imposition in the tariff, (applause); and Mr. Cartwright, after a feeble attempt to vindicate his policy, said: "Well, I think we will put it off till a fitter opportunity." (Laughter). The duty was fixed by him at 16⅝ *ad valorem* duty; "that is not enough," they said; "then I will make it 17½" (laughter); but, gentlemen, he could not even do this in a gracious way, because, while the 17½ per cent. might be considered in some degree a protection for our infant manufacturers, he greatly diminished its value by taxing various raw materials before on the free list. (Hear, hear, and applause). We had provided in our tariff years ago that those raw materials or products partaking of the nature of raw materials that could be worked up in manufactories, should be free of duty, but, while Mr. Cartwright raised the duty for a time to 17½ per cent, he destroyed much of the value of the increase to our manufacturers, by putting duties upon the raw material. As I have had occasion to say in the House and elsewhere. Mr. Cartwright said that this was only a temporary provision; but Mr. Mackenzie denied it here the other day. Now, Mr. Cartwright did not say that the duty would be taken off, but that the duties would be readjusted; perhaps he meant in the direction of an increase of duties, perhaps in the direction of reducing them, but that this thin tariff was merely a provisional arrangement. Well now, gentlemen, that announcement certainly did not increase the confidence of the manufacturers in Canada (loud cries of no, no! and hear, hear), for if there is one thing calculated to paralyze trade in Canada, and one thing more than another calculated so shake our credit—already damaged by the unwise financial course of the present administration—and shake it to the basis, it would be the idea that Mr. Cartwright was to be entrusted with the permanent control of that department. (Applause and cheers.) Evil as have been the consequences of the course of the Government, it would be trifling in comparison with the deep and lasting injury that would be inflicted on the country by any changes in our customs duties that would be made under the capricious advice of such an ignorant and conceited man. (Cheers.) How Mr. Mackenzie will act with regard to the tariff, God only knows. In order to get the freedom of Dundee [laughter] he was a free trader—an out-and-out free trader, a Richard Cobdenite [hear, hear]; and he pledged himself that any Government in which he held office would, if necessary, carry out the principles of Free Trade as announced by himself [groans]; he came back to Canada; he went up to Sarnia and made a speech there, showing that he had changed a little. But then the atmosphere had changed, gentlemen [applause]; he had already got the freedom of Sarnia, and the whole support of Sarnia, for he was the member for Sarnia, gentlemen, and he was speaking to soothe the manufacturing interests of Canada [Laughter.] Therefore he told them that he was in favor of incidental protection. He came down to Montreal for the purpose of defeating my friend, Mr. White, and I think that he appeared in a new character—in the character of an out-and-out protectionist. [Hear, hear and laughter.] Well, gentlemen, his course puts me very much in mind of the western man in the United States. He was a leading member of the Democratic party, and was seeking the suffrages of some constituency in the far west; so, addressing them somewhat in Mr. Mackenzie's style, he said to them: "Gentlemen, I have laid before you the platform of the Democratic Party—these, gentlemen, are the principles of the

Democratic Party; I am a Democrat, a dyed-in-the-wool Democrat; these are the principles fastened on my banner; by these I will stand or fall; but, gentlemen, *if they do not suit they can be changed.*" [Prolonged applause and uproarious laughter.] Well, gentlemen, the Tariff and the Pacific Railway is pretty much all they did in that session, and a poor show they made in both of them. [Cheers.] They passed, it is true, some inspection laws, but all they had to do was to take them out of the pigeon-holes of the late Ministry; this was all they then did, and last session they did still less. [Laughter.] They consolidated the election law, placing half a dozen statutes into one; it was little more than simple consolidation, with the exception of providing for the ballot. Well, gentlemen, I was opposed to the ballot, because I have always thought that a man ought to feel the responsibility of voting—of going up like a man and giving his vote. [Applause.] But as it had been granted in England, there was evidently no use in fighting it here. It was carried; but if the Administration had had only an idea of the effect the ballot was going to have, we would certainly have had no ballot. [Applause.] It was the ballot that saved me at my last election. [Hear, hear.] The two Governments were working against me and had their eye on every man, and were ready to come down with the hammer of Thor on every one, rich or poor, in their power in any way, as a contractor, laborer, or Government employee of any kind. I would have had no more the chance of being elected without the ballot than I would have for Centre Montreal to-morrow. [Cheers and cries of "We'll elect you! come out, Sir John!"] A greater than I, I fear, will be elected—I fear my star must wane before that of Devlin. But, gentlemen, they passed a Controverted Election Act. [Cries of oh! oh!] Yet, gentlemen, that Controverted Election Act was pretty much a copy of the Bill the late Government had passed the session before. They say that they have improved the old law, but I do not think they have. They made a serious blunder in it, and the consequence of the blunder is, that some Judges of Lower Canada have declared the law to be unconstitutional, and it has to be decided whether it is constitutional or not. It is not yet decided. I avoided all difficulty in my bill; but, gentlemen, they were determined to make some difference between the old law and the new, and they made this improvement, and a pretty improvement it is. [Laughter.] But, gentlemen, while they pretend to have made an improvement in the election law, my friends were tried, and their friends have been tried and unseated [hear, hear and applause] under my law, and not under their law. [Voice: Good for you!] They say, gentlemen, "But didn't the Opposition force you to pass your Election Act? You resisted it the previous session." Well, gentlemen, the fact was that the law had only just been passed in England. It had never been tried there, and the Judges in England signed a remonstrance against this new duty being thrown on them. It was most important to know how the law would work in England, or whether the Judges would be able to work it. I therefore allowed it to stand over for a session to see how the measure succeeded in England; and if it worked well there, I said that we would introduce it into Canada at the following session [applause]; and, as I said before, if there has been a purification of the House—if the rotten sticks have been broken—if men have been disqualified, and men shown to be elected by means of money corruptly used, it was under the law passed by the late Administration, and the late corrupt Parliament, that this purification has taken place, that these trials have been held, and that the wrong men have been unseated and the right men put in. [Loud applause.] Well, they passed an Insolvent law; and I think that Mr. Mackenzie takes credit for that. Why, Mr. Mackenzie had always been opposed to an Insolvent law, and the man that has the right, the real right, to claim credit for the Insolvent law is a resident of Montreal—the Hon. Mr. Abbott. [Hear, hear and applause.] When I was Minister of Jusitce and the head of the Government, he consulted with me on the occasion of the old Insolvent law expiring, and as I knew he had fully studied the subject, I asked him to introduce a bill; a committee was struck; he labored at the bill zealously; he got the assistance of the Government—we gave him all the assistance the Government could give him—but to him must be the honor, to him must be the praise of that measure; and the Insolvent law passed at the last session is, in substance, in all its material provisions and in its machinery—although with some improvements and some amendments—John Abbott's law. He alone should get credit for it; and Mr. Mackenzie, who was always opposed to a Bankruptcy or Insolvency Bill, has only the merit of allowing it to pass. There were some acts passed in connection with the Department of Marine and Fisheries. Any of you, gentlemen, who were in the

lobby at the time will remember that Mr. A. J. Smith, Minister of Marine and Fisheries, did not understand his own bills, and could not explain them, and had to get the assistance of his predecessor, the Hon. Peter Mitchell. [Applause.] That gentleman, having the interests of his country at heart, and particularly the interests of our shipping, of our commerce and of our trade, came forward and lent his skill, his experience, his earnest assistance and sympathy; and only by that assistance were those bills carried, and only by him and through him were these bills explained and defended. [Cheers.] Yes, gentlemen, last session they passed another bill which I think will be of service. They passed an Act for the further organization of the North-West territory, introducing some provisions relating to the sale and management of the public lands in that country. As to that portion of the bill which was framed by the Surveyor-General, Colonel Denis, all are acquainted with it; but there is one provision which provides for a separate Lieutenant-Governor for the great North-West. Now, we were more economical; we thought that until some white inhabitants went into the North-West, outside of Manitoba, the Lieutenant-Governor of Manitoba could do both duties. Mr. Morris was ready and willing to perform these duties, and he did perform them well and ably [applause]; and he did so on his salary as Lieutenant-Governor, with a small additional allowance. Although Mr. Morris never complained of the work, still they provided in the Act passed in April last that it was necessary for the good of the country to have a separate Lieutenant-Governor. Yet they have allowed—although it was absolutely necessary that they should have a new Governor right off—the time to pass, and they have not yet appointed any one, because there is, forsooth, a quarrel as to who should get it. Mr. Laird wants to go there, and other people want to get it, and therefore the country is suffering for want of a Lieutenant-Governor. (Cheers.) Then, gentlemen, comes the Supreme Court Bill. I said the other day that the Supreme Court Bill was my Bill. Mr. Mackenzie says I never drew it, and he also says that he always draws his own bills. Now, I will venture to say, gentlemen, and I think that we will prove it by the Law Clerk at Ottawa, that Mr. Mackenzie never drew any Bill (except, perhaps, a bill of parcels) in his life. [Great laughter.] As regards the Supreme Court Bill, it could not be evolved, as a German philosopher evolved an elephant out of his own consciousness; such bills are not to be extracted from a man's imagination. The Government and I, as Minister of Justice, had to sit down and consider the laws of different countries, especially of England and the United States, and examine the constitution of their different Appellate Courts, with the view of endeavoring to construct a good working system for this country. In making these researches I had the valuable assistance of a late colleague, the Hon. Mr. Archibald, at present Lieutenant-Governor of Nova Scotia. He and I both worked at that bill, and we prepared it for submission at the first session of Parliament. Then, gentlemen, that bill was not passed in consequence of sundry difficulties that arose with respect to the representation of Lower Canada in the Court; but before the next session we had consulted many of the Judges; I had sent my bill to the Judges; I received suggestions from all sources, and and I was very glad to get these suggestions; and I employed a gentleman, now one of the Judges of the Supreme Court, and asked him to devote his time for the purpose of considering the whole subject. After receiving all the suggestions that were sent me, I prepared a second bill and laid it before Parliament; and Mr. Fournier, when introducing the bill now law, said in his place that his bill was principally framed on my own, and that if it had not been for the assistance he thus got, he would scarcely have had the courage to have undertaken the task [applause and cheers]; and I assisted him, as the Hon. Mr. Mitchell assisted the Minister of Marine and Fisheries, in every way in my power to carry that bill. And what did I get, gentlemen, in return? On the third reading of the bill, just as it was about to be passed (hear, hear), without notice, without warning, an independent member—not Mr. Fournier—not the Minister of Justice, who is responsible for the administration of that great Court and its organization, but a member from Hamilton, evidently by concert, moved, seconded by Mr. Laflamme, that a clause be put into the bill at the last moment, doing away with the right of appeal to the Mother Country. (Deep groans.) I at once, in my place, strongly protested against that. I said that it was a trick, a surprise upon the House, and that, had I known that such a qualification was contemplated, I would certainly have opposed the whole measure from the beginning. (Applause.) Why, gentlemen, it was the entrance of the wedge (hear, hear); it was just the commencement of the severance

of the connection between the Mother Country and Canada. [Hear, hear.] It is the right of every British subject, his inalienable right, to appeal to the foot of the Throne (hear, hear and cheers); it is the inalienable right of every British subject, if from any Provincial, Colonial or inferior Court he thinks he has not received justice, to go to the Queen, our common mother; it is the great mark of our allegiance; it is the great mark of our being a portion of this great Empire, that we all of us, whether living in Canada or at the Cape of Good Hope, or in Australia, have the right to appeal to the foot of the Throne. (Cheers,) We will see at the next session, gentlemen, whether Her Majesty's Government has not told the present Government that this clause must be repealed. (Applause.) Gentlemen, in their election bill the Government provided that the franchise for the Dominion Parliaments should be the franchise existing for the provincial Legislatures. (Hear, hear). I think this is most unwise, and I will tell you why gentlemen; because every Legislature does not legislate alike, and persons having a right to vote in one Province, might have no vote in a neighbouring one, a most unseemly anomaly, likely to breed discontent, and, besides, would it not be absurd, that I, a member elected, under one law for a constituency, should find that behind my back and without my knowledge, another Legislature, and not the one to which I was elected had swept away my constituency and given me another. But, gentlemen, still further you can see what might be done, and know what would be done if the political exigency arose. We might see in the Province of Ontario, for instance, the franchise altered by act of the local Legislature when the elections of the Dominion were coming on, and carried under the new franchise and after they were carried this law might be repealed and no election held for the Provincial Legislature at all under that franchise. For these reasons, gentlemen, I am of opinion, that every parliament should have the control and the definition of the elective franchise by the exercise of which its popular branch is constituted. However, we were out-voted---we were over-borne, and it was announced as a cardinal principle of that measure of theirs, that the Assembly in each Province should also elect the members for the Dominion Parliament. But afterwards, when we commenced to look over the Government Bill, we found a quiet clause respecting Prince Edward Island introduced---depriving many of the people of Prince Edward Island of the right of voting; men who had a right to vote for the Legislative Assembly of Prince Edward Island were to be deprived of their right under the Bill, and why? Gentlemen, they have an elective Upper as well as an elective Lower House, and for the Upper House there is a higher franchise than that for the Lower Chamber. Now, Mr. Laird, one of the members for Prince Edward Island, and one of the members of the Government, finding himself unpopular among his constituents, and that if he went back to the same body of men that elected him, he might perhaps fail, and be allowed to stay at home, coolly introduced a clause in the bill for his own benefit, depriving many of the very men who had sent him to Parliament of their votes, so that it should be the aristocratic body of electors that were thereafter to send a member to the House and which might perhaps elect him again. The consequence of that limitation was this: It fell upon the working classes, and struck especially at one race and at one religion. The working classes in Prince Edward Island, as in many other parts of this country, are largely composed of Roman Catholics, and it was a direct blow at the Roman Catholic vote in Prince Edward Island in order that Mr. Laird might secure a constituency for himself. Mr. Chairman, Thank Heaven, they used to say in England, we have a House of Lords; and thank Heaven we have a Senate in Canada. This clause in the Bill was corrected by the Senate, and Mr. Laird has got to go back and seek re-election from the very men he endeavoured to rob of their franchise; hence perhaps the desire he has not to go back, but rather to luxuriate in the wilds and on the prairies of the North-west. (Laughter). Gentlemen, I have talked about the legislation of the Government; now about their administration. Look at the Cabinet, two years in office and four changes! Why, gentlemen, when I was in the Government, and they used to attack me and say that business was being neglected it was a cardinal principle against which some of my colleagues would grumble occasionally, that on no occasion should Ottawa be left without a quorum of the Council, no matter what exigency might occur. There was never a day or night when there was not a quorum of the Council at the Governor's elbow to assist him in carrying on the affairs of the country (hear, hear and applause); but as for these ministers, why look at the newspapers! I hope that they have got passes; for if not, one-half their salaries must be expended in railway fares. (Laughter). They are like the wandering Jew, go anywhere and you will find them; if you go to Manitoba, you will find them; if you go to

135

New Brunswick, you will find Mr A. J. Smith; if you go here you find a minister, and if you go there you find a minister; but there is one place you may go gentlemen, and not find a minister, and that is Ottawa (Laughter). We have besides a Minister of Justice whose important duties require his constant presence at head-quarters, but whom we find practising his profession. [Hear, hear and applause]. Now, gentlemen, I do not wish to make his holding Briefs a ground of attack upon Mr. Blake, as being wrong in itself, but I say as a Minister of Justice he ought always to be at headquarters [applause]; and I know it took me all my time to perform the duties of my office—when holding that position—faithfully and well. [Applause]. It was charged by Mr. Blake himself in the legislature of Ontario, that Mr. M. C. Cameron, while a member of the Ontario Cabinet, practiced in the Courts. But Mr. Cameron held the office of Secretary of the Province, and his duties were merely nominal. [Hear, hear]. Here, however, we find Mr. Blake, the Minister of Justice, practising before the Judges he himself nominates, and whose salaries he may recommend to be raised, and whom he may promote from Puisne Judges to Chief Juistices, and from Vice-Chancellors to Chancellors. [Hear, hear]. This is the experience we have of their administration of public affairs. [Applause]. Gentlemen, at first there was an under current, a growl, an underswell, and now, the roar of discontent is increasing in volume, and in intensity; it is complained that the business of the country is neglected, and that it is no use to go to Ottawa on public business, for one Minister is attending to his farm, another perhaps looking for a new wife, [laughter], another is making speeches here, and a third is making speeches there, and the business of the country is neglected—no business is done at all. [Hear, hear]. Then, gentlemen, as to appointments. I have heard that appointments to office in Montreal, have been singularly satisfactory [laughter]; that they never think of anything but fitness for office; that no political considerations ever induce them to take a wrong man; that the confidence of the public, that personal respectability, and the respect of the community are a *sine qua non* in their appointments (laughter). Well, gentlemen, I believe that the samples you have had in Montreal, of the mode in which they make appointments, are equally good samples of the appointments they are making all over the Dominion; and you may judge then of the manner in which this country is governed, and of the manner in which new appointments are made [applause]. Gentlemen, it used to be the cry of the Liberal Party in England—and it used to be the cry in Canada, of the Party that assumes that name, that there must be no pensions (hear, hear). But this Government have introduced the system of pensioning in the most obnoxious way. We have a Superannuation Law on our Statute Book, providing for old servants who had become no longer capable of performing the duties of their office, the means of moderate livelihood in their old age. But it is highly improper, and entirely contrary to the spirit of the Act, to superannuate able-bodied and capable men, merely to make vacancies for partizan office-seekers. The country is thus deprived of the services of efficient men, probably replaced by inferior persons, besides the loss of the retiring allowances, whatever they may be.

One word more about the Pacific Railroad. We asked for bread and they gave us a stone; we asked for a railway and they gave us little pieces of railway, connected by "magnificent water stretches." But while we cannot get the railway we have the rails thrown on our hands, which, costing an enormous sum of money, may possibly be required for some purpose years hence [hear, hear]. I believe that the principles which have governed the Liberal Conservative Party in the past will actuate them while in opposition and afterwards, when, in the course of time, the Party will be restored to power. [Cheers]. One of the differences between the policy of the Liberal Conservatives and the policy of the Grits, has reference to a question of revenue—concerning the promotion of the manufacturing interests of the country. Our policy in the future will be what it has been in the past. [Cheers]. We have always since 1859, when Mr., now Sir Alexander Galt, was Finance Minister, announced our policy to be incidentally a protective policy in the interest of our native industries, and acting upon that policy we have held that our Customs and Excise duties should be so adjusted as to provide incidental protection, and at the same time not to be so excessive as to amount to prohibition, but to be really and truly a revenue tariff.

Then, gentlemen, another difference which exists between the Conservative Party as a whole and the motley group of conflicting opinions which forms the "Great Ministerial Party" [laughter], is illustrated in another way. A cardinal point in our policy is connection with Great Britain. (Cheers.) I have no patience with those men who talk as if the time must

come when we must separate from England. I see no necessity for it [cheers]: I see no necessity for such a culmination and the discussion or the mention of it and the suggestion of it to the people can only be mischievous. Sir, is it not the duty of every well-wisher of his country, and of every patriotic statesman, to make the people of his country satisfied with their lot, if their lot be a happy one [applause]; and, Sir, I say that this country is one of the happiest on the face of the earth. [Hear, hear.] We govern ourselves, we tax ourselves as we please, we are allowed even to tax the goods, the products, and the trade of our fellow-subjects in the Mother Country; we have full and ample rights of legislation; we have protection for life, for property and for reputation; we have our liberty in the widest sense; we are free from the dread of being oppressed by a despot; and we are, I trust, equally free from all chance of degenerating into licentiousness or anarchy. [Applause.] This is a happy state of affairs, and yet, with not the slightest chance or prospect of that happy position being altered for the worse, we are called upon to speculate upon the time when we are to sever the connection so happily at present existing with the Empire; to set up as an independent nation, and to cut away all the links that bind us to the Mother Country and to our fellow-subjects in Great Britain and in the other colonies. We are asked to run all the risks of Independence, all the hazards, all the cost, all the dangers and all the responsibilities of an Independent nation. Sir, we have got the pledge of the Mother Country, and, as I have said before, that pledge has never been broken, that the whole power of the Empire will, if need be, be exerted in our defence. [Applause.] Mr. Mackenzie has announced, in language so broad that it has brought upon him the censure of the English press [hear, hear], the information that hereafter Canada is to make her own treaties. Mr. Mackenzie could not have meant this in its wide sense, but I believe and am sure I am quite correct in believing, as was the case in the Washington Treaty, when a Canadian representative was consulted, and as in the case of the Reciprocity Treaty, when Mr. Brown was placed in communication as a *quasi* ambassador, with Sir Edward Thornton—that in the future, in any question which interests Canada in her relations with foreign States, England will allow Canada to be fully and fairly heard [hear, hear], and be glad to have the assistance of a person in the shape of a Commissioner, or Assessor, or co-delegate, in order that the interests, and more especially the legal claims, of Canada may be fully considered and fully cared for. (Applause.) Sir, as to annexation to the United States, I am opposed to that treasonable proposition altogether. [Cheers.] A British subject I was born, and a British subject I hope to die [hear, hear, and applause]—leaving that precious inheritance to my children, and hoping that my children's children will have still the pride and glory of calling themselves British subjects. [Hear, hear, and applause.] Consider this subject for a moment. Gentlemen, you may remember—and I hope that I can afford, at this distance of time, when instead of hostile races being set in hostile array against each other, there is peace and harmony in this country among all races and among all religions, all of us working together for the common good, to allude to the events of 1849 and the days of the Rebellion Losses Bill, without giving offence—you may remember that in the excitement of that time, in consequence of the temporary feeling of irritation that was burning in the minds of British inhabitants in Lower Canada, very many of them, especially the younger men, in their anxiety to show their irritation, and in the temporary insanity, I may say, of the moment, spoke of annexation to the United States. It was a short insanity, but still it existed for a time. Suppose that annexation had taken place then, in the year 1849, what would have been the consequences? Gentlemen, your sons would have been carried away to fight the battles of the civil war (hear, hear); your militia would have been marched to the South, instead of staying at home and enjoying peace and prosperity under British law and British protection. (Hear, hear and applause) Your country like much of the United States both North and South, would have been ravaged. Your young men would have been slain, and many households rendered desolate. Many a wife would have mourned her husband, and many a parent would have wept over the grave of slaughtered children (applause); and you would now have been suffering under the ruinous load of taxation, which clogs and impedes the prosperity even of that great country, the United States. And so too, gentlemen I ask you to consider what may happen hereafter, if annexation with the United States should at any time take place. Why, a great country like the United States—a country like that, must and will have for ages—until it becomes an old and settled country—momentous constitutional questions arising. This is

now the case. The constitution is on its trial, is in a state of transition, with many problems of vital importance unsolved. I would deplore it, and I pray to God that it may not happen, but we may see again similar strifes, similar conflicts may recur, and should we run any such danger as is natural in a union with the United States (cries of no, no), when we are safe under the ægis of Great Britain—safe and enjoying peace, liberty, happiness, comfort, family felicity and the means of improvement intellectual, moral, and physical by remaining as we are, British subjects. (Applause). As to Independence,—to talk of Independence is—to use Mr. Disraeli's happy phrase—" veiled treason," (hear, hear, and applause;) it is annexation in disguise, (hear, hear); and I am certain, that if we were severed from England, and were now standing alone with our four millions of people, the consequence would be that before five years we would be absorbed into the United States. (Hear, hear). Gentlemen, we are in greater danger than before the civil war (hear, hear). Before the war the whole of the Southern States — the slave-holding States — would have opposed to the death an increase in the number of free States, giving an additional strength to the cause of anti-slavery. Then the Southern States would have opposed the annexation of Canada, but now, slavery being abolished, the Southern American has exactly the same feeling that pervades the mass of the people of the United States—that the inevitable destiny of that country is to govern one whole continent, and that they will absorb the whole continent. We hear gentlemen like Mr. Mackenzie, in their confidence, state that the great and good and wise men of the United States would not attempt such a thing; but, gentlemen, the great and the good and the wise—the educated classes—do not govern there; it is the masses who govern (applause)—the many govern—it is the many-headed monster, that governs that country (hear, hear); and not only is it the practice to instil it into every child from the time he hears his first fourth of July oration until he is twenty-one, but also to work into the minds of the people of the United States, the notion, that it is their destiny to be the biggest as well as the greatest nation on earth. We have an instance of what would happen to us, if Independent, by looking at Texas. (Hear, hear). Texas was a portion of Mexico, and a number of Americans from the United States settled there by invitation of the Mexican Government; they soon severed themselves from Mexico, and declared themselves a separate nation as the State of Texas, "The State of the Lone Star," and how soon were they absorbed! Gentlemen, the same mode of absorption would go on here under similar circumstances, and so confident am I of that fact, that if the question was between independence or annexation, I myself would rather have annexation out and out than the danger of war, the loss of credit, the distress and the want of confidence that, with independence, would continually harass the government and the people, owing to the dangers threatening the new State. With such an extended frontier how many causes of quarrel would arise? While now, backed by the power of England, we are free from all those dangers. Left alone with the United States, it may be, gentlemen, that the lion and the lamb would lie down together, but, as has been said, the lamb would be inside the lion. [Laughter.] Gentlemen, I look forward to a permanent union, and I look forward to it not as a mere Utopian speculation, but as the practical result of our connection with Great Britain. It is not an idea of to-day; and if you would so favor me, if you think it worth your while to look over the debates on Confederation in 1865 at Quebec, you will find that what I am now stating to you I stated then as being the hoped for future of Canada. It is this:—That England would be the central power [applause], and we auxiliary nations; that Canada, as one Confederation, would by degrees have less of dependence and more of alliance than at present; and that we would be all united under the same sovereign, all owing allegiance to the same Crown, and all inspired by the same British spirit; and that we would have a close alliance, offensive and defensive. You see now the progress of events in carrying out this scheme. You see South Africa about to form a great Confederation. The position of the Australian Colonies is such, strewn as they are around the edge of that vast continent, that they may not be able to form a Confederation so closely allied as our Provinces of Canada, but a Zollverein and arrangements by Treaty amongst themselves, by which their quota of land and sea forces, and their several subsidies for the purpose of doing their share in the defence of the Empire is quite probable. Now, gentlemen, twenty-five years is but as a day in the lifetime of a nation; let us go on as peaceably and happily as we are now going on, and twenty-five years, I fully expect, should see the solution of that question. Great Britain, by that

time, will have forty millions; Canada, ten millions; Australia, her millions; and these latter with South Africa, capable of unlimited extension; and New Zealand, nearly as large as England, will be separate auxiliary countries, all ranged around the Central Power, England. I do not look for Colonial representation in the Imperial Parliament, because the Imperial Parliament, with such representation, would claim the right of taxation, but I look for the alliance of these auxiliary Powers with the Central Government under Treaty arrangements similar to the existing arrangement between England and Canada. The arrangement at this moment is that we are pledged to expend a certain sum of money on our militia in response and return for the pledge obtained from England that the whole military power of the Empire shall be used for our defence; make an extension of that arrangement by providing that the Central Power shall contribute so much, that each of the auxiliary nations shall give their quota; and then when any nation goes to war with England she will go to war with half a dozen nations. (Hear, hear, and applause.) It will give an assurance of peace to the world, and it will give an assurance of peace to us when it is known that if one extremity of the vast British Empire is attacked, British subjects and soldiery from every extremity of it will rush to the rescue. (Hear, hear.) Then, gentlemen, so powerful will be England that she will be safe from all attack (applause), and instead of being a source of anxiety and a source of weakness to the British Empire, we will find ourselves standing by our grand old mother, become a defence, a fortification, an outwork, instead of being a weakness and a source of expense. (Cheers; hear, hear and prolonged applause.) Remember, too, that Canada has already the fourth commercial navy in the world, and a large population of hardy seamen, and that all the Sister Colonies I have named must, from their position, become Maritime Powers. So that the Sovereignty of the Seas seems assured for all time to this United Empire. To this I look forward. It is a grand scheme, and it is a scheme quite capable of being carried into practical operation, and when carried out, gentlemen, it will not be too much to expect that the great nation, our congeners on the other side of the line, seeing that all the different peoples who speak the English language, but themselves are formed into one great nation, as it were, for the purpose of operating as a moral police, and of keeping the peace of the world—it will not be too much to hope and expect that our congeners, speaking the same language, and being of the same race, will assist in the great work of keeping the peace of the world, and if necessary, gentlemen, of enforcing it. [Applause]. Gentlemen, in the great war, when Napoleon, by the power of his arms, had forced the nations of Europe to close their ports against England and English shipping, even then, gentlemen, although England's colonies were few and feeble, she fought that battle, and carried it to a victorious conclusion, and drove the tyrant from his throne, with aid of the domestic commerce she had with her own colonies. And when all these become great nations, having one head, and being one people, and having one interest, England if all Europe were in arms against her, with her trade, her commerce, and her wealth, with the waves rolling about her feet, would be still secure, living in her children, and her children blessed in her. [Loud and continued applause]. One word more. While independence is generally annexation in disguise, some speculative philosophers, who look into the distant future, seem to believe that it will be our fate and our advantage to walk alone as a separate nationality. Mr. Goldwin Smith is one of those. I would fain hope that the future that I desire for the empire and its auxiliary kingdoms, might strike his imagination and be accepted as a substitute for independence. If this policy could only enlist his magic pen in its behalf, it would be an infinite benefit to the good cause. [Cheers]. It is a great privilege to me to address a Montreal audience, and a great pleasure to be present at this magnificient demonstration to my friend Mr. White. [Loud applause]. Gentlemen, if it is any satisfaction to Mr. Mackenzie and his Ministry to know it, they shall know it—that it was a deep and bitter disappointment to me, and to those who act with me, and to the Conservative Party throughout the Dominion—that Mr. White was defeated. [Hear, hear and applause]. They feared him—they feared his abilities, and they feared his earnestness. [Loud and prolonged cheering]. But, gentlemen, the day will come [hear, hear], and I am satisfied it will come ere long, when some constituency will feel itself honored [Voice—Montreal West], to be represented in Parliament, by so able, so competent, so high-minded, so honorable, and so experienced a politician as Mr. Thomas White.

The Right Hon. Gentleman, when he resumed his seat, was given a prolonged and extremely enthusiastic ovation.

SPEECH OF HON. C. TUPPER, C.B.

AT

HALIFAX.

TUESDAY, NOVEMBER 16, 1875.

On the occassion of the Hon. C. Tupper's address there were present on the platform, the Mayor of Halifax, Hon. Mr. Fraser, of Pictou; Hon. Dr. Parker, Alderman Forsyth, Alderman W. Murray, ex-Mayor Dunbar, ex-Mayor Sinclair, Hon. James McDonald, Mr. S. H. Holmes, M.P.P., Mr. W. H. Allison, M.P.P., Mr. H. Black, M.P.P. Dr. Almon, Dr. Sommers, Ald. Sceton, Mr. S. A. White, Mr. Donald Keith, Mr. F. G. Parker, Mr. John Pugh, Mr. W. H. Neal, Mr. C. H. M. Black, Mr. W. S. Symonds, Mr. W. C. Moir, Mr. T. E. Kenny, Mr. W. B. Alley, of the Truro "Sun;" Mr. Robert Sedgwick, Mr. G. R. Anderson, Mr. F. Allison, Mr. D. B. Woodworth, M.P.P., Mr. Wm. Compton, Dr. Thos. Walsh, Mr. Bartholomew Walsh, Mr. J. T. Bulmer, Mr. J. C. Mackintosh, Mr. S. Canning, Mr. Poole, Mr. Samuel Shatford, (Margaret's Bay), Dr. T. R. Almon, Mr. Cathcart Thomson, Mr. James S. McDonald, Mr. George Johnson, Mr. R. B. Brown (Windsor), Mr. W. D. O'Brien, Mr. H. H. Bligh, Mr. H. A. Gray, Mr. F. O'Connor, Mr. P. Lynch, Mr. B. Daly, Mr. Stephen Tobin, Mr. P. Thompson, Mr. J. T. Wylde, Mr. C. Edgar, Mr. D. Wolf, of the "Windsor Mail," Mr. George A. Chipman, and many others.

The Mayor, in introducing the Hon. speaker, said:—When a few evenings ago I occupied a similar position, I expressed the hope that we might soon have others following the Premier's example, and coming here to address the citizens of Halifax upon the great public questions of the day, I little anticipated being so soon called upon to preside at such a meeting as this to-night. It was a happy circumstance in connection with the meeting that it could not be construed to bear upon any imminent political movement. Those present, therefore, might be better enabled to enjoy a calm and deliberate examination of those great questions. It is not my purpose, neither would it become my position to identify myself in any way with the particular political views of any party; nevertheless, in common with all those who were so fortunate as to be present, I cannot but be delighted at this opportunity of hearing the public questions of the day discussed by so eminent a public man. Accordingly, without any further remarks, I will introduce the Hon. C. Tupper to an audience who I feel sure know him well before.

HON. C. TUPPER was received with a perfect storm of applause, which was long in subsiding. He said:—

Mr. Mayor and Gentlemen, Citizens of Halifax:—Those only who know of the happy years I had the pleasure of spending in the city of Halifax, can properly estimate the gratification it gives me again to meet the citizens of the metropolis of my native Province, and the pleasure I feel at the magnificent ovation you have given me to-night. I do not assume that all whom I now have the pleasure of addressing are either personal or political friends, but I feel that you are all Nova Scotians. (Cheers). That you are deeply interested in the affairs of your country, and that you came here prepared to give them that calm and dispassionate consideration which all intelligent citizens should give to questions affecting the interests of the people.

My observations this evening will be somewhat modified in consequence of certain suggestions contained in the "Morning Chronicle" of to-day. I have come here with an infinity of pleasure, at the request of a large number of the citizens of Halifax, to deliver an address upon the questions affecting us all; I am only too happy to have my mind directed from any source, friendly or otherwise, to those matters which most engage the attention of this section of the country. I do not suppose it will be possible, with the great number of questions that press upon our attention, to cover all the ground that has been mapped out for me by the Halifax organ of the Government; but I will do so, so far as time permits and more important matters will allow.

In the first place I am asked the question whether Confederation has brought prosperity to Halifax? That question carries me back to eight years ago, when upon this platform I ventured to raise my voice in favor of a Confederation of these Provinces. On that occasion I was confronted by gentlemen who took a different view, and who, with great earnestness and ability, pressed their opinions upon the citizens. I have not the pleasure to-night of meeting any gentlemen, so far as I am aware, who wish to reply to my remarks, but the suggestion having been thrown out that some one might wish to do so, without indicating who the person was, that some one might wish to discuss the affairs of the country with me, I may say that I am one of those who, strong in a good cause, feel prepared to meet in the discussion of public questions, any gentleman who takes an opposite view. While on this occasion I cannot forego the pleasure of delivering an address to you, yet as on a former day I invited the Premier to meet me before any audience in Nova Scotia and gave him choice of time and place, and only yesterday, as I may say, went to Toronto, the very seat of the influence of the Minister of Justice, to state that I was prepared to discuss these important questions with him, so I may state now that I will be prepared at any time that can be conveniently arranged to leave my home in Ottawa, and come down here to meet any member of Parliament. I say this because I am vain enough to believe that the more public affairs are discussed, the more will the party to which I belong increase the confidence which they enjoy in the minds of the people of this country. I am asked whether Confederation has proved a benefit to this country. (Several voices say, "no, no!") A half a dozen gentlemen, however earnest, will hardly be taken as representing the citizens of Halifax. I have said that eight years ago that question was discussed on this platform. Let me ask you, Mr. Mayor, and this vast and intelligent body of citizens, whether I am right or wrong when I say that after seven years of trial this hostility to Confederation was hushed, and that no man could be found to reiterate the wild and groundless statements with which Confederation was then opposed. I am proud to know and believe that it is only since the gentlemen at present in power, controlled the destinies of the country that any voice of discontent with Confederation was raised; all complaint having ceased under our administration.

If to-day I am not able to point to a continuation of progress and prosperity, I believe I shall be able to show that the fault lies largely with those men who said the ship of state could not be navigated successfully, and who are now at the helm. But who will say that the status of every Canadian, whether down here by the Atlantic or dwelling away yonder by the Pacific, has not been raised? We had expended all our resources in the vain endeavor to connect ourselves by rail with the rest of the world. Where were we then? In a position in which we had no connection by rail with the railway system of the United States, and no communication with the other British Provinces, lying in the interior of the country. All that is already changed. No intelligent man, looking at the history of the past, and then viewing our present position, can feel for a moment that, as a Canadian, he does not occupy a far higher status than he ever could have done as a New Brunswicker, a Prince Edward Islander, or a Nova Scotian. Not only in Great Britain and in the United States, but in all the other countries of the world, we now occupy a position which never could have been obtained by any other means than union. You may say that this is a mere matter of sentiment. But let me point you to the records and you will find that not another country in the world can exhibit such a steady and constant advance in prosperity as Canada has enjoyed during the first seven years of her history under the Act of Union. In order to make this apparent to you I have only to say that from 1868 to 1873 the trade of Canada rose no less than $86,000,000. Our revenue under a fifteen per cent. tariff increased in five years more than $7,000,000 per annum, and, notwithstanding, that in the same period we had reduced taxation no less than $2,000,000 a year. While carrying on the public services of

the country in the most generous and liberal manner in every section of the Union, we were enabled by the enormous impetus which had been given to business to reduce the taxation of the people by that large amount. The duties were struck off the important staples of tea and coffee, making them free. That amounted to $1,200,000 and $800,000 were taken off other articles. Yet with this low tariff and decreased taxation we had in seven years over $14,000,000 of surplus revenue which we applied to the reduction of the public debt and the construction of works chargeable to capital. That was the condition of this country when the late Government were called upon to give up power. Look also at the banking capital, if you wish to learn the increasing wealth of the country. The paid-up banking capital of Ontario and Quebec alone rose from $30,000,000 to $60,000,000, and the deposits from less than $30,000,000 to more than $70,000,000, while the deposits in their savings banks have trebled in seven years. You may ask, What have Ontario and Quebec to do with Halifax? I will come to Halifax and direct inquisitive gentlemen to evidences which are indisputable. The banking capital in this very city, in that period, rose from $1,700,000 to $3,000,000. I am not able to tell you the amount of the deposits in that period, for the simple reason that the banks think it fit to conceal facts which in every other city are patent to the world. From one bank, however, I have been able to obtain information which shows that, notwithstanding the introduction of the Bank of Montreal and the establishment of numerous country banks, which must have absorbed a considerable amount of money, the amount of deposits have actually doubled. Another instance, more conclusive still, is the amount of money deposited in the savings banks. From 1867 to 1873 the deposits in Halifax increased from $662,000 to upwards of a million. This shows you that the increased prosperity was not confined to the richer portions of the people, but that the mass of the population had their circumstances correspondingly improved. The evidence is uncontrovertable to show that never was the prosperity of this whole country so rapidly increased as under this Union, and that Halifax shared that prosperity in common with the other portions of the Dominion. (Cheers.)

I am invited, Sir, to explain the Canadian Pacific Railway scandal. There is not a question in the whole range of politics that I am prouder to have an opportunity of discussing in the presence of this vast body of my fellow-countrymen. The Premier, who preceded me here, said that the late Goverment had left an elephant upon his hands. Before I am done with this question you will see that it was he himself who imported that elephant into this country. When we found such magnificent results accruing from the Union which we had accomplished; when we had acquired the prairie lands of the North-West, and the small but important Province on the Pacific coast—we felt that, with such means as Providence had placed at our disposal, we were bound to take up a question which was vitally important to the continued prosperity of this country—the construction of a Canadian Pacific Railway. Although we had been carrying on the public works in a vigorous manner, we found ourselves in a position to obtain the means required to warrant us in grappling successfully with such a work, not only without bringing additional taxation upon the people but securing a continuance of the steadily rising tide of prosperity which had set in with the consummation of the Union, and which was still rising higher and higher, when we were struck down to make way for our successors. What is this elephant we have imposed upon the Government, who succeeded in ousting us from power by means so discreditable that when they have been transferred to the page of history they will not be read without a blush? We had undertaken to construct a railway to British Columbia. This had been made one of the terms of the union of that Province with the Dominion. But before that Union was accomplished, we had placed on the Journals of the House a statement that our efforts to procure the construction of the railway were to be circumscribed within certain limits. In the first place, the work was not to be done by the Government, but committed to a private company, which corporation was to be aided by a grant of $30,000,000 and 50,000,000 acres of land. Having placed that limitation upon the Journals, we felt we were entitled to say to British Columbia: "You see how far we are prepared to go. If you like the terms, join us; we limit our engagements to what we have laid down." A good many statements have been made by our opponents which, I think you will agree with me, are exceedingly inaccurate. First, they say it would never have been possible to accomplish the work on these terms. Men would be insane who would talk of constructing a railway to British Columbia for $30,000,000 and 50,000,000 acres of land. I may say that $30,000,000 sounds like a large

sum, but it would only have cost us one and a half million per annum. As I said before, in the period during which we governed the country, we had a *surplus revenue* of $14,500,000, which we applied to the reduction of our debt and capital expenditure. Well, gentlemen, you will be rather surprised to hear that the very critics who said any one would be insane who attempted to construct a road to British Columbia on the terms I have mentioned, now turn round and assert: "You sold our birthright to get money to carry your elections with." What had we to sell, if Mr. Mackenzie was right? Did we sell the right to perform an immense work for this country for half the money it would cost? That is what it amounts to. These same men who derided our scheme abroad have actually endeavoured to make the country believe that we sold this charter, *which would ruin any man who obtained it*, for money to carry elections with! (Cheers.) Mr. Mackenzie says we gave the charter to Sir Hugh Allan. Mr. Blake, using stronger language, says we *sold* it. I deny, in the face of the world, that we ever "gave" the charter to Sir Hugh Allan; and the best evidence that we never sold it to him, is *that he never had it*. Sir Hugh Allan, as you all know, is one of the greatest capitalists in Canada. He recently swore, on the witness-stand, that he was worth over $6,000,000. It may be asked why did Sir Hugh Allan give $45,000 towards elections in Ontario, if he did not obtain the charter? Sir Hugh Allan owned a noble line of steamships running across the Atlantic, and he knew that the construction of this railway by anybody would certainly put hundreds of thousands of dollars per annum into his pockets. He therefore aided liberally the party whose policy was to secure the construction of that railway. I will undertake to say that behind me on this platform there are men who, in proportion to their means, contributed more to that election than Sir Hugh Allan. That is the sole foundation for the calumny that the Government of Sir John A. Macdonald ever sold a railway charter to anybody. (Cheers.) Jay Cook & Co., who had undertaken the Northern Pacific Railway, sent their emissaries to us at once, because they knew that the hand of Nature had given Canada an easier, a better, and a more available track for a great highway from the Atlantic to the Pacific, across British America, than could be found in any other portion of this continent. And they knew that the work that they were engaged in never could compete with the Canadian Pacific Railway. Gentlemen, we were accused of obtaining money from foreigners for the purpose of carrying our elections! I say it is untrue, because when an American company, a foreign and rival body, came to us, and endeavoured to obtain an interest and a controlling influence in this great work, we shut the door in their faces and said: "No, this is a great national highway, and no foreign influence or power shall be permitted to control it." (Cheers.) The Parliament of your country had given Sir Hugh Allan and his associates an act of incorporation, which only required a proclamation to enable it to become law. The Hon. John Hamilton, one of the merchant-princes of Canada, a man of wealth, living in Montreal, was one of his associates. The Hon. David Christie was another—a gentleman who, when Mr. Mackenzie was called to form a government, was invited into the Administration as President of the Council to govern the country. He now sits, by virtue of the appointment of the Government of this day, in the high and exalted position of President of the Senate. He was one of Sir Hugh's associates. Andrew Allan, a brother of Sir Hugh, and a man of acknowledged wealth, was another. Donald McInnes, a capitalist of Hamilton, and Hon. D. A. Smith, a representative man and then Governor of the Hudson Bay Company, and a capitalist in Montreal, were also associated with Sir Hugh; Hon. John Ross, a wealthy citizen of Quebec, and last, but not least, I name Sir Edward Kenny. (Applause.) Now, gentlemen, Sir Hugh Allan came to us and said: "I have got an act of incorporation from the Parliament of Canada, incorporating myself and a number of the ablest capitalists of this Dominion—both in Ontario, Quebec, and the Maritime Provinces—and I wish you to let me build this Canadian Pacific Railway for you, on the terms of thirty millions of money and fifty million acres of land, provided by Parliament." We said: "Sir Hugh Allan, we are told that behind you are Jay Cooke & Co. It is reported that you are associated with a number of the leading capitalists connected with the Northern Pacific Railway, and we may as well tell you at the outset that no company, no man or corporation, connected with that foreign influence, can have this charter at our hands." He went away and dissolved all connection with those parties, returned them the money they had placed in his hands, severed all connection with his American associates, and came back and said: "I have complied with your terms and I want this

charter for myself and my Canadian associates, whose names you have heard." We said, "No, we accept your statement, but we are determined that this shall be a great national work. If your company will incorporate and associate itself with the Inter-Oceanic Company, and form a broad and comprehensive company, embracing all sections of the country, we will allow you to build the road." He tried to effect that combination, but could not accomplish it, and Sir Hugh Allan and his company were driven away, and told that they could not have that charter. Now, what will you think of the men who, with that state of facts, which I hold myself bound to sustain on the floor of Parliament, will dare to say that the late government sold or gave the charter to Sir Hugh Allan? With that law on the statute book which, without the proclamation was a piece of waste paper, *we refused the Order in Council that would have enabled him to build the road.* We divided the stock between the various Provinces, so that every man who was disposed to acquire it could have influence and control in the company. We selected thirteen gentlemen; Governor Archibald was one of them, representing Nova Scotia; Mr. Burpee, representing New, Brunswick; Sandford Fleming, who is one of the most distinguished engineers of the day was another; Walter Shanly, an eminent engineer who built the Hoosac Tunnel, was another. We wished to give the capitalists of England the confidence that the men who were best qualified to judge of the matter believed that this was a feasible and practicable scheme. Sir Hugh Allan, Hon. J. O. Beaubien, Hon. J. B. Beaudry, R. N. Hall, Hon. J. S. Helmiken, Donald McInnes, F. W. Cumberland, Andrew McDermott and John Walker, Esqrs., completed the number. We selected these thirteen gentlemen, the most distinguished capitalists, engineers, and representative men we could obtain throughout the country. Sir Hugh Allan was one of the thirteen. That is all. We gave him just so much and no more than I offered in the meeting of the leading capitalists in this city, to give to any man among them who would come forward and do what he and every one of the thirteen were compelled to do, deposit their proportion of a million dollars as a guarantee that they would carry on the work. Before I pass away from that matter there is one word that I omitted to say. That is, that of thirteen gentlemen, of whom Governor Archibald was one, selected for that great work as directors, the first act the majority of that Board did was to vote down Sir Hugh Allan. They put him in the chair, for what reason? Because they knew that there was no man from this side of the Atlantic whose name would go so far in the money market of the world and on 'Change in London for the purpose of securing money. But on the first motion he made to influence the Board he was outvoted, as I know, and as the Governor in your Government House will tell you—for he was present and assisted in voting him down. I mention this to prove that the Board was free from any control on the part of any particular individual. In the interests of the country, and for the same reason that induced the Board of Directors to elect Sir Hugh Allan as their chairman, the Government always held the opinion that he should occupy that position. That is, the head and front of our offending. The Government went to the very verge, probably beyond what they ought to have gone, in their care and caution to shut out foreign influence—for we made it a principle of the charter that not a man could transfer a pound of stock without the sanction of the Governor-General and Cabinet, whoever they might be. So, having guarded the interests of the country by every means that man could devise, you can understand the indignation that I feel when men can be found who even at this hour, with these facts patent to the whole country, dare to sully their own characters and reputations by keeping up this cry, "You sold the Pacific railway." Why is it kept up? Because on that false cry they grasped the Government. Having no policy and no principles—as I shall show before I sit down—their only hope of retaining the confidence of the people is to keep up a hue and cry against the gentlemen whose seven years of Administration will stand to the end of time as an evidence that they patriotically, ably, and vigorously did their duty by their country. Now, gentlemen, you may say perhaps—"Well, you forced that plan on the House of Commons and in Parliament, and perhaps the other plan is the better one." What will you think when I say that the scheme was a unanimous one? What will you say when I tell you that, not content with the resolution we put upon the journals that it should be built, not by the Dominion Government, but by a private company, aided with a grant of lands and money—not content with this bold, clear, and unequivocal statement, the Opposition leaders, viz., Dorion, backed by Mackenzie and the rest of them, moved a resolution, and voted for it, declaring that it should not only be built in our way, but that it should never be built in any other! And

yet the men who thus pledged themselves solemnly as man can pledge himself to man, (because a public man by his record in the Commons of his country gives the most solemn pledge that one man can give to his fellow man) that the Canadian Pacific Railway should not be built by the Government, the very moment they attained power, *their anxiety to prevent the Government from building the Pacific railway vanished*, and the next day Mr. Mackenzie was up before his constituents asking them to return him as Minister of Public Works, with a declaration upon his lips that the Government had decided to build it as a Government work. The party who during the elections of 1872, had endeavoured to induce the country to believe that the Government had done a rash act in imposing upon the country a burthen for this work of one and a half million dollars per annum; so soon as they obtained power declared that they had determined to go back upon their recorded votes in the House of Commons, and to build that road as a Government work! And what do you suppose was the reason given to the unsophisticated electors at Sarnia for the decision to build it as a Government work? Why, the Premier said it was in order that the profits of this work (that was certain to ruin and destroy anybody that would touch it!) should be enjoyed and possessed by the people instead of contractors! Well, I am inclined to think that before they construct it even as a Government work, they will have to let a few contractors take a hand in, unless they intend to take the pick, the spade and the wheel-barrow themselves. But that was the ludicrous reason given to the electors of Sarnia for making the Pacific railway a Government work. Parliament met, and the new Government brought in the Canadian Pacific Railway Act, taking power to construct every foot of the Canadian Pacific railway from end to end as a Government work without the intervention of any company whatever. Mr. Blake, notwithstanding his qualified antagonism to the Canadian Pacific railway, helped to force that bill through the House and Committee, where it passed with scarcely the semblance of a debate, in a single night. I maintained from the first that if Canada could obtain the construction of a great national highway through the country, it would be highly advantageous for every portion of the Dominion; but when this monstrous proposition that the Government should construct, own and operate the road was advanced at Sarnia, I denounced it in the county in which I was seeking election at the time. I also, in the House of Commons, used the strongest and most emphatic language of condemnation in relation to the bill, founded upon that policy, and although it is bad enough for you to have to listen to me, and still worse to hear me read one of my old speeches, I will give you an extract to show the view that I took of the matter at the time. These were my words:—"The measure now before the House, however, would crush the energy, enterprise, and industries of the country, and would place it in such a position that instead of being able to attract people to the country, we should drive them away. There was one respect in which this country had a great advantage over the United States, that was the cheapness with which people could live here. This bill, however, would deprive us of this advantage over our neighbours. The measure, if adopted, would not only be fatal to the project, but it would overwhelm us with debt. With our credit gone and our resources paralyzed, we would not be able to draw capital into the country. With this changed condition of affairs every Canadian would look back with deep regret to the time when, unfortunately for the history of the country, a party, drunk with sudden accession to power, should have forgotten what they owed to the country, and engaged in an enterprise fraught with the most serious consequences." Mr. Mackenzie told you the other night—and it was a rash and extreme statement that I am sure he would not repeat after once seeing it in print—that the whole resources of the British Empire could not build the Canadian Pacific railway in ten years. Gentlemen, I need not tell you that the resources of the empire would build it in one year with the greatest ease. There is not a contractor in the country; there is not an intelligent man in the Dominion who knows anything of such matters, and the powers and resources of the British Empire, who does not know that it could be done in one year. The Government accuse us of having left an elephant on their hands, because we had proposed to obtain the construction of the Canadian Pacific railway by a grant of wild lands, comparatively valueless, and a contribution of $1,500,000 per annum. They not only denounced us for providing for its construction as a great work, but said that we were insane to talk about constructing it in ten years. I may tell you, however, that I never expected it would be built in ten years; but I knew that the people of British Columbia would be satisfied with our honest and straightforward efforts to obtain capital and forward

the work to the best of our ability, if it should take twenty years instead of ten. It was a bargain between the great Dominion of Canada and a very small colony on the Pacific coast; and I knew that the people there would be only too well satisfied if they saw that vigorous and energetic efforts were put forth to carry that public work to completion. That policy failed. Why? Because a party, hungry for power, being long out of office and determined to obtain it, had gone to the elections of 1872 and had been foiled by the magnificent record that we were able to place before the country of our successful administration of public affairs. They had come back beaten and disheartened, and we had obtained the majority that we were entitled to at the hands of our countrymen whom we had served so faithfully. Foiled in that, what did they do? The Toronto *Globe* and "Reform" party raised a hue-and-cry of "Corruption" against the Government of the day; and they followed Sir Hugh Allan, Mr. Archibald, and Major Walker—the committee appointed to obtain the necessary capital for this great work—to London, and united with the great rival influence of the Grand Trunk Company. The whole of that enormous influence combined to strike a fatal blow at Canadian credit and prevent the realization of that great work on terms that would have been so advantageous to Canada. Yes, our policy was defeated; but, gentlemen, when it failed, and when we were driven from power by means which I say the very men who used them will blush to see recorded upon the page of history—when that was accomplished, those gentlemen gave a Ministerial pledge to build the road as a Government work. We had redeemed our pledge; we had voted the $30,000,000 and the 50,000,000 acres of land we had promised; a company had taken the contract and used their utmost endeavours to raise the capital required. Every obligation Canada had undertaken with reference to that road was performed; only she was still bound in good faith to make every effort to carry out the scheme of building the road by a company. But she was not bound to mortgage all her revenues to raise the $100,000,000 necessary to build the road. Every man in British Columbia knows that the provision for building the road in ten years meant that the Government would use their best efforts to push the work on. This Government, therefore, took charge of this question with a *tabula rasa;* the statement with regard to a legacy, an intolerable burden, having been laid on the present Government and the people of Canada, is as baseless as it is possible for any man to conceive. But, what next? Those gentlemen who say that the whole resources of the British Empire could not build the railway in ten years have solemnly bound the faith of Canada to the British Government, as well as to the people of British Columbia, *to build, coute que coute, those two thousand miles of railway through the Rocky Mountains to the shores of Lake Superior by the first of December*, 1890. [Dr. Tupper here read the terms of the agreement, from a speech of Mr. Mackenzie's, as follows: "Lastly, that on or before the 31st of December, 1890, the railway shall be completed and open for traffic from the Pacific seaboard to a point at the western end of Lake Superior, at which it will fall into connection with existing lines of railway through a portion of the United States, and also with the navigation on Canadian waters. So that the terms recommended by Lord Carnarvon, and which we have accepted, are simply these—that instead of $1,500,000 we propose to expend $2,000,000 a year within the Province of British Columbia, and we propose to finish the railway connection through that Province and downward to the point indicated by the year 1890."] This is the written compact made with Lord Carnarvon without any qualification whatever. The Premier says that the terms of this contract with Lord Carnarvon were simply to this purport: that the Government were to spend two millions a year instead of one and a half in British Columbia. But those two thousand miles *are to be built in fifteen years*, a work which the Premier declared *the whole resources of Great Britain could not build in ten years.* (Applause.) I think you will agree that this is bad enough, but it is not the worst. Parliament had determined to put the eastern terminus of the road at Nipissing. We said that if we brought the traffic of the Great West down to that point, all the lines of railway tending in that direction would be able to raise the money necessary to connect them with the Canadian Pacific Railway at that point. Mr. Blake said, the other night, at Toronto, that down here I had denounced the Government for subsidising railways in Ontario, and that in Toronto I had denounced them for not doing so. I did not. I said that, having promised certain subsidies, they were as much bound to carry out the one pledge as the other. They are now spending a million and a half in subsidising the Canada Central Railway from Douglass to Lake Burnt. There is a certain Senator Foster who gave great

support to the enemy in breaking down the old Government, and he is the Canada Central; and he is now subsidised by the Government to the extent of a million and a half, or $12,000 a mile. Senator Foster and his American friends have the contract to build the railway from Lake Burnt to the Georgian Bay, eighty-five miles more. If you were in Montreal, and going West, you would not use a foot of this line; you would take the route by Port Hope, and reach the Georgian Bay by a line of twenty-five miles shorter. Again, the Government are spending the money of the country to build a road 100 miles long from Pembina to the junction with the Canada Pacific Railway. We say, there is "a magnificent water-stretch," why not use that? But supposing that railway desirable, and I frankly concede its importance, a company had obtained a charter, and only required the assent of the Government to build that road without the Government spending a dollar? They reply that they are following our policy in that matter. Our policy was to pay thirty millions, and not to pay out a dollar extra for that branch road. The road is now graded, all but some thirty miles, at the expense of Canada. Again, there is the Nanaimo and Esquimalt branch of sixty-five miles more. We were told that that road made all satisfactory with British Columbia, and were inclined not to look too narrowly at it. But that road runs right along in sight of a fine shore with splendid harbours. Next, we have a divergence to Thunder Bay of seventy miles—increasing the distance for everyone who ever travels over the Canadian Pacific Railway to that extent. Adding to these the thirty-five miles run down beyond Nipissing, we have 360 miles of extra road, which, at $45,000 a mile,—and it cannot be built for $50,000—*will add no less than sixteen and a quarter millions to the burden of the country.* Add a million and a half for the Canada Central Railway, and you will see how much these gentlemen are afraid of the elephant. (Loud applause and laughter.) They have pledged the country to do all this, and to build the road in fifteen years from the Pacific to the shores of Lake Superior, without any qualification whatever, so that we must be disgraced in the eyes of the world if it is not done,—and then they have the assurance to charge us with having placed an intolerable burden on the shoulders of the people of this country. (Cheering.)

The Halifax *Chronicle* wants to know the cause of the depression which prevails in every department of trade. I do not say, for I do not believe that it is caused altogether by the Government, but I will give you some reasons which induce me to believe that Ministers are largely responsible—that the Ship of State is among the breakers, because she has passed into the hands of men who said that Confederation never would succeed. (Applause.) We said it would be a success, and down to the hour we left the Government the country was enjoying a flood tide of the most extraordinary prosperity. (Applause.) What is it that in two short years has so changed the face of affairs? If the *Morning Chronicle* wants to know, why did it not ask Mr. Mackenzie that question? (Applause and laughter.) He saved them that trouble; he told them it was because a depression, caused by an inflated currency in the United States, led to a crisis in trade, in consequence of which this country was flooded with American goods. (More laughter.) Why do these gentlemen not accept his statement? It so happens that we were in power when this depression in the United States was at its height, and that the United States are now more prosperous than when we went out of power. Let us examine this question a little. In view of the depression that has fallen like a pall over the country, it behoves every man, whether he takes a direct part in administering public affairs or only exercises the solemn trust of choosing representatives, to look these things in the face and see if there is any possible change by which matters can be altered and improved. I say again that you cannot attribute all of the existing depression to affairs in the United States, though I am glad to see Mr. Mackenzie take that view, because it will incline him to sustain the sentiments I enunciated long ago, that is the necessity of a National Policy for Canada. (Great applause). The depressed condition of trade in the United States has forced goods upon Canada to the great detriment of our own manufacturers. The fiscal policy of Canada has been such as to permit the Americans to enjoy unfair advantages in reference to the commerce of this country over our own people, and we have reason to believe that much of the depression which now exists is a direct result of the policy pursued by the party now in power. I do not hold the Government entirely responsible for the depression from which the country is suffering, but I have said in the presence of their own leading men, and I now repeat it here, that if all the ability they possess had been exhausted upon arriving at the method by which they might most effectually bring about the present financial depression, I know of no means that they have

left untried to secure that object. I do not know whether their acts have been intentional or not, but having made such a statement I am bound to give you the grounds upon which it is based. I have told you what the condition of Canada was when the present Government came into power. Confidence in the commercial condition of Canada was universal. The public works were progressing, and there was a firm belief in the future of the country. We felt assured that if our railway policy succeeded we could bring in a hundred millions of foreign capital which, distributed over the country, would have the effect of continuing the prosperity which then existed, and the development of our great North West would be then secured. All this was struck down at once by the unfair and unpatriotic combination to which I have alluded. The Finance Minister, immediately on the accession of the new Government, put the mis-statement in the mouth of the Governor General that there was a serious deficit existing which must be met by additional taxation. That statement has been shown to have had no foundation in fact. Even the Toronto "Globe" admitted the other day that the additional three millions then called for was required more to meet the expenditures of 1874-5 than to cover an over expenditure in 1873-74. Mr. Blake, too, in South Bruce, asked what British Columbia had to complain of, and told his hearers that one-sixth had been added to the taxation of the whole country for the purpose of giving that Province the road it demanded. One-sixth would be just $3,000,000. Why did they not come before Parliament honestly and say that they required the money for that purpose? But when instead of doing this they said it was to cover a deficit, they struck a blow at the financial position of the country and at the confidence of the people in the sound condition of public affairs. That was the second cause of the financial stringency, from which the country is now suffering. The first was the attack made upon the credit of Canada, which resulted in the defeat of the scheme for the construction of a Canadian Pacific railway. This act was followed up by a budget speech, such as, I think, never came from the mouth of a Finance Minister in any country before. Mr. Cartwright first stated to the House that we were absolutely bound to build this Pacific Railway, and then, after recess some one having in the meantime directed his attention to the limitation in the journals, came in and said that he had discovered that our liability was limited to a pledge of $30,000,000 and 50,000,000 acres of land. Then, having said that the construction of the Pacific Railway would impose upon the Dominion a debt relatively equal to, if not greater than that of Great Britain, the Government before the close of the session, placed on the statute book an act providing not only for the building of a railway to the Pacific, but 360 miles additional. Subsequently Mr. Cartwright went to England to negotiate a loan, and you have heard a good deal about the way in which he did that. Mr. Mackenzie thought he had settled the question when he informed you that his *friend*, Sir Francis Hincks, had told him it was a capital loan. Some years ago, when Sir Francis Hincks was managing the affairs of this country with an ability surpassing that of any other man who had preceded him for twenty years previously, he was called a resuscitated mummy by the present Premier; he was a Rip Van Winkle, who had been asleep for half a century. But he no sooner whispers a compliment regarding a member of the Government's financial achievements than he immediately becomes the greatest living authority. (Applause.) While a Government comes back from England with $15,000,000, and lends it out among the banks on what terms they please, with or without interest, I feel inclined to refuse to accept the statement of any gentleman connected with one of the institutions so favored on a question between the Government and Opposition. Mr. Blake also said he would be willing to leave this question to Sir Francis Hincks. Though I object, as a general rule, to the testimony of bank presidents, especially when they can borrow half a million dollars without paying any interest upon it, I make an exception in favor of Sir Francis Hincks, and I pledge myself that for the criticism I made on Mr. Cartwright's loan, I can produce the authority of Sir Francis Hincks to sustain me. (Cheers.) I said to them:—What are you singing Io Pæans about this loan for? Belgium went into the English market and got a three per cent. loan negotiated on better terms than you did a four per cent. one, and even the little Province of New Zealand placed a loan upon the same market at the same time upon more advantageous terms than were obtained for Canada. But how was it that when this loan was negotiated the five per cents were bringing 107? Why, it was the union of British North America that did it. I went to England to negotiate a loan before Confederation, but could not sell the debentures of Nova Scotia without a discount of four per cent. on debentures bearing six per cent. interest, but I

obtained the money by depositing them with Messrs. Barings, because I knew that the moment Confederation had been achieved they would advance rapidly in value, as the credit of British North America would stand infinitely higher than that of Ontario and Quebec, old Canada, or any of the Maritime Provinces. The difference in the rate at which loans could be negotiated before and after the Union is the best evidence of what was achieved for Canada by the confederation of the Provinces. But, gentlemen, I tell you that Mr. Cartwright did not put his loan on the market even on those terms until Sir John Rose had come out in public in contradiction of the melancholy story that Mr. Cartwright had told in Parliament about our resources and financial position, and until the speeches of the Opposition went home, and the London "Standard" declared that the deficit was a pretended deficit, and that the financial position of this country was sound. So that if he made a good loan, he made it in spite of himself, and because there were men patriotic enough to stand to the front when the character and credit of the country were assailed, and to save our character and credit in the markets of England. I criticized the transaction on several grounds, and you will be the judges whether they were sound or not. I said the "Globe's" statement is a little astray. Instead of Mr. Cartwright's loan being better by $800,000 than a sale of five per cents at 107, a letter signed "Another Accountant," proved it was not so good by two and a half million dollars. I have the opinion of Sir Francis Hincks in black and white, to prove the accuracy of that statement, but I never said that so good a loan as that could have been negotiated. I criticized his loan on another ground, and I will put it to you. I said, "Your predecessors have obtained the valuable commodity of an Imperial guarantee, you went to London to borrow money and kept that guarantee in your pocket, and negotiated the loan without using it. Is there a merchant that would conduct his business in that way, selling his notes at a discount of ten or twelve per cent., as Mr. Cartwright disposed of our debentures, when he could have sold them at par by using the name of a friend which he had for nothing?" That is the ground on which I criticized it, and I said he had pursued a course which no Minister having the interests of Canada in his keeping should have pursued. I criticized it in another respect—that Mr. Cartwright had fixed the rate of interest at four per cent. and the discount at ten per cent., instead of taking the course that Sir John Rose and Mr. Tilley before him, and every Finance Minister of Canada, had taken, of fixing the rate of interest and the term that the debentures were to run and then putting them up to competition. That was the way it was done before, and by that means Canada got the highest price that could be obtained for her securities. But when he fixed the rate of interest and the discount, and then said—for I have the terms of the loan under his own hand—that he would give the debentures, not in proportion to the amounts tendered for, but to whom he liked, and that people who did not hear from him would know that none had been allotted to them, he established a precedent by which any Finance Minister can put half a million of money in his own pocket and defy any man in the world to discover it. I said that was not the principle upon which our public accounts are carried on, under which public money may be traced from the beginning to the end. Mr. Cartwright has, however, given us the best evidence of the soundness of my criticisms. He went to London the other day and adopted the course that I pointed out as the proper one and abandoned totally the course he had taken the year before. He fixed the interest and said to the capitalists of the world, there are our debentures, what will you give us for them? He has used the Imperial guarantee, and the result is that our four per cent. debentures sold at a premium instead of at a discount of twelve per cent., as in the last loan he made. But, while upon that subject, I have a graver charge to make than any blunder in negotiating the loan of a year ago. I say he did not want the money, and I say that the Finance Minister who goes to England to put debentures upon the market when he does not need the money, does an unjustifiable act, prematurely and unnecessarily increasing the public debt. I will give you my authority. A year afterwards you had only to look into the *Canada Gazette* and to see the bank returns and the statements made by himself in order to find that on the fifteenth day of June last—a year after his loan had been negotiated—fifteen millions of that seventeen and a half millions he had borrowed was lent about among the banks all over the Dominion. Now, I say, there is the evidence that he did not require the money. Although I am in the presence of eminent bankers and others who have a large amount of banking interest, I do not intend to be deterred from telling my countrymen that I do not believe that a more unsound and improper policy could not be pursued by any government in Canada. Cannot every

person understand that if banking is to be successfully and effectually carried on, the capital must cost the different bankers something like the same sum? If Mr. A. can get capital for nothing while Mr. B. gets it at the market price, you can readily understand that banking cannot be done on fair and equal terms. But there is a greater objection than that, in my judgment. The banks have an enormous amount of power and influence. I hold that it is contrary to the theory of responsible government that you should increase the power and influence of the banks by giving them an unlimited amount of public money for nothing. Besides just in proportion as a bank is necessitous it will bring political pressure to bear upon a government, and I am afraid that even the immaculate government we have at present is a little susceptible to political pressure. Thus, you will see, there is danger to the country in this policy. Just as a bank may be trembling in the balance, it will bring greater influence to bear upon the Government, and some day the country will sustain enormous loss through some of these banks going down. A more ruinous policy than that of the present Finance Minister was never known in this country. At the very time when it was said that we were over-trading he loaned $15,000,000 to the banks—encouraging and aiding them to inflate the business of the country still more; and then, without any necessity for it having arisen, he put the banks into a tremor by a circular so vaguely worded that they did not know but they would be called upon to pay over the Government deposits on a day's notice. I am free to say that if the public sentiment had not prevailed, and the circular been virtually countermanded, the Government could not have got their money, and a financial crisis would have occurred through their false policy. Their system is also corrupt, and calculated to corrupt the country, and I will give a proof of this assertion. Some of you have heard of the Hon. Geo. Brown's celebrated Big Push letter; you have heard that this man, who has such a holy horror of corruption, wrote to a bank president a very urgent letter, in which he said that by a united effort power might be seized. This bank president sent out a circular to the customers of his bank, saying that if the Government was sustained the bank would get large deposits of money. Is that corruption? Mr. Simpson sends a telegram to say that the story about his buying up people is a fiction. You have the Big Push letter in the first place, in which the leader and dictator of the Reform party asks him to come down handsomely. What more? You have in the last *Gazette* banking returns up to the 30th September last, which prove that if he did not come down handsomely the Reformers are certainly most thankful for the smallest favors. Those returns shew that this bank president, this senator who has degraded his position by this most infamous letter, has got now the use of $590,000 of your money without paying a copper of interest for it; in other words, that his bank is receiving at present $50,000 per annum of public money. Do you mean to tell me that with this letter from the Hon. George Brown to Senator Simpson, and this circular from Senator Simpson to the customers of his bank on record, any honest or intelligent man in this country will not feel that this money was paid for political services? The whole policy is corrupt; it will not bear the light of day, and will have to be changed. But more, Mr. Workman told the people of Montreal, the other day, that they ought to support Mr. Cartwright, because he was selling debentures to prevent calling upon the banks for his deposits. Last year Mr. Cartwright gave as his excuse for borrowing a larger sum than was needed, that it did not look well to go borrowing every year. Now he goes again for the purpose of being able to give half a million dollars of your money to the bank of which Mr. Simpson is president. Capital is very sensitive; such conduct as this is destroying the confidence of the commercial men of the country, and a great deal of distress is flowing from the channel I have indicated. Then there is the proposed Reciprocity Treaty. Does not every commercial man know that every manufacturing interest was paralyzed a year ago by Hon. George Brown going to Washington to negotiate that wonderful treaty? As I said before, capital is very sensitive. Every man who is about to invest his capital in any new enterprise looks ahead to see if there is a prospect of that particular branch of trade being permanent,—and it is easy to see what a disastrous effect the possibility of Mr. Brown succeeding in his negotiations must have had on the investment of capital in the manufactures of the country. I need not detain you longer in holding an inquest over this dead treaty, but I will say this, that if ever a government was marked by incapacity, if ever a public man placed himself in a position which ought forever to destroy all confidence in him, it was when the Hon. George Brown placed his name to that document without getting Mr. Fish's signature on behalf of the United States,—and Canada was forced to go down on her knees to the United States,

only to be spurned by the foot of the American. The Washington Treaty—which buried the feeling of irritation which had grown up between this country and the States, consequent upon the war, and disposed of all the unpleasant questions between us—had paved the way for a judicious and fair reciprocity treaty. Canada had shown a desire to have the freest commercial intercourse with the United States, but it was unwise to assume the position that she was in extremity for want of a treaty. If they had taken advantage of the kindly feeling kindled in the States by the Washington Treaty, and allowed the commercial men of that country to press for it in their own interest, the Americans would, long ere this, have been offering us the very thing which, when we begged for it in such a humiliating manner, they refused us. I trust, however, that this much will be accomplished: that George Brown will never be asked to negotiate another treaty for us. There is another matter that has a good deal to do with this depressed condition of our country. I have already alluded to the three millions of additional taxation. How were they imposed? Mr. Mackenzie, who the other day in Dundee was an extravagant free-trader, avowing the desire, as far as in him lay, to make that principle the law of the whole commercial world, when he came down here endeavoured to cajole the manufacturers by informing them that he had increased the duties levied on imported articles two and a half per cent. Mr. Blake, in his West Toronto speech, said I had one theory of free trade for these Provinces and another for Toronto. Mr. Blake is wrong. I have never held but one theory. After I ended my criticism of Mr. Cartwright's budget speech in Parliament, I was told by the Premier that I had accused one person of being a free-trader and another of being a protectionist, but I had not stated what I was myself. I have no objection to do so. No man has more strongly and consistently urged the adoption for Canada of a national policy than myself. (Hear, hear.) When I hear the statements of other gentlemen advocating such a policy, I can go back to the time when I urged similar views in Parliament almost single-handed. I was in favour of the freest commercial intercourse with the United States; but if they were not willing to grant us that, my opinion was that we should apply their own principles to themselves. But even Sir A. Galt said: "We are only four millions against forty. Do not do anything that might irritate them." My reply was that the people of the United States were far too acute not to respect the adoption towards themselves, by others, of their own principles. I believe that in the adoption of that national policy of treating them as they treat us, lies the restoration of that prosperity that seems to be fast passing away. I regard it as a wrong to Canada, as a whole, that our coal and other products should be shut out from the United States by a prohibitory tariff, and that we should receive theirs without any contribution to our revenue, whatever. In the year that we imposed a moderate duty upon American coal and other natural products, was there any irritation upon the part of that country? The almost immediate consequence was a reduction of the duty imposed upon our coal by the United States of fifty cents per ton. Not only was that the case, but coal was never cheaper in Montreal or Quebec than during the year that the interests of your coal owners were stimulated to increased production by the slight duty thus afforded. So, in reference to every industry, I would adopt a national Canadian policy that would foster and encourage our manufacturing industries throughout the length and breadth of the country, upon which I believe the prosperity of Canada largely depends. I would foster not only manufacturing but mining and agricultural industries in this country as well. I may tell you that not only did the Government of the United States under the change of tariff that I have referred to, reduce the duty on coal, but on potatoes and lumber, and several other articles. I would foster, I say, the agricultural interests of Canada, as also the manufacturing industries, by showing our neighbours that we had such great respect for their wonderful sagacity as to pay them the great compliment of imitating their policy ourselves. I believe that in that policy is the direction in which we will have to seek the prosperity of the great mass of the people, and the revival of the industries that, under the present commercial depression, are languishing throughout the country. But there was another difficulty, and that was the mode in which the Government levied these three million dollars. They go to Montreal and Toronto, and say, what splendid protectionists we are; we have given you a protection of two and a half per cent. Mr. Blake so far forgot himself at his ministerial election as to say that I paid the Finance Minister the compliment of saying that he had imposed a tariff in the most suitable and proper way. Why, who supposes that the tariff as it stands is Mr. Cartwright's? Is there anybody that does not

know that he did not bring down a 17½ per cent. tariff at all? He brought down a tariff in which he proposed to raise three million dollars of additional taxes, mostly by specific duties; only $500,000 was to fall upon unenumerated articles altogether. But he proposed curious things in relation to that tariff. He proposed to raise a considerable amount by taxing articles used in the construction and fitting out of ships, which, under the policy of Canada for fifteen years, had been free. And, gentlemen, I dare say some of you suppose no man can have any power to influence the Government unless he is sitting on the Government benches, but among all your representatives from Nova Scotia deeply interested in the protection of this Province from so foul a wrong as this, not a voice was raised until I who sat on the Opposition benches led them on to oppose and obstruct a Government which was thus striking a blow at Nova Scotia and New Brunswick industries. And when I tell you that the trade returns show that that very year Nova Scotia, with four hundred thousand people, built 84,000 tons of shipping, while Ontario, with nearly three million people, built only 7,000 tons, you can see what an unfair mode this was of raising a revenue. They endeavored to impose a tax equal to a dollar a ton on every vessel built in Nova Scotia and New Brunswick, and while Nova Scotia, under that law, would have paid about $84,000, the three million people of Ontario under the same law would have contributed only $7,000. That was the proposition they brought forward, and yet the representatives from Nova Scotia, who ought to have been the first to spring to the front with the united influence they could exert, and say that they could not sustain a Government that would thus trample under foot the interests of the Maritime Provinces looked on in silence. It was not only the interest of the Maritime Provinces but of all Canada that were at stake, for it was the policy, and the sound policy, of Canada to foster by every means in its power the construction and ownership of the magnificent mercantile marine which is the pride of every Canadian from shore to shore. The proud boast of Canada is to-day that she owns 1,200,000 tons of shipping, a mercantile navy which is one of the largest among the nations of the world. Yet the policy to which they owe that commercial fleet these men were ready to strike down under an unfair adjustment of the tariff which would unduly press upon one of the most laborious and critical industries of the country, liable to sudden contraction which would cause injury throughout the length and breadth of these Provinces. Yet the gentlemen who have thus dealt with the interests of the country, who by a reckless and unfair policy have shaken public confidence in a great industry like that, who only found their rights protected by the determined attitude of a small contingent on the Opposition side of the House, wonder that everything is not prosperous, and that everybody has not the same confidence in the commercial prosperity of the country that they had before. I say the tariff was a series of blunders from beginning to end. After we had given Mr. Cartwright a little intimation of what a loyal Opposition could do, he disappeared, and was missing for some time. He came back after two or three days reconsideration with the tariff to a certain extent as it is, and commended it to the House by telling us that he had abandoned his own plan and gone back as nearly as he could to the principle adopted by his predecessors. When Mr. Cartwright decided to increase the tax of 50 per cent. on sugar, on an article of prime necessity, regarded as only second to bread as a necessary article of diet, I did object. I said it was an outrage, and I asked what would be thought in England where they were sweeping away all duties on sugar, what would be said there if we added to the duties on sugar already paying fifty per cent. Open this book, the *Hansard* of the Dominion Commons, and you will see whether I obstructed the proposal to sustain the industry of sugar refining. What did I say in my place? I said, when the budget was brought in, now is the time to deal with sugar; you have got a handsome surplus; you have no business with a surplus; a good government always gets rid of a surplus by taking off taxes, as we did. Instead of increasing the tax on an article already paying 50 per cent., I said they should reduce the duty on lower grades of sugar, which would at the same time cheapen that article to the poor, and enable us to refine our own sugar. What did Mr. Cartwright say? That he would consider it. After the House rose, he did endeavour, in a feeble half-hearted manner that could never accomplish anything, to reduce by an Order in Council the duties on the lower grades, but not to a sufficient extent to meet the bounty given in the United States. He did not even do that correctly, and the Montreal *Gazette* pointed out the error, and he withdrew his order and brought out another. But there is another matter. The late Government never brought down a budget without the party now in power telling us that we

were a most extravagant Government. I admit we were liberal, but we could afford to be so. I state that with such a surplus revenue as we possessed, and with a light taxation upon the country, we were able to provide liberally for all the public services, reduce the taxes of the people $2,000,000 per annum, and yet apply $14,000,000 in seven years to the reduction of the public debt. When the gentlemen then in opposition denounced our Government for extravagance, had the people not a right to expect an exhibition of economy from them when they came into power that would have given force to their criticisms of others? But we were startled to observe that although a large portion of our expenditure was upon objects which would not require any more money to be continued for such services, these gentlemen who said they were obliged to impose an additional taxation of $3,000,000 per annum to meet a deficit, brought in an estimate asking for $2,500,000 more to govern the country with than we had ever expended in our most extravagant years. When a people see a Government fail so conspicuously to carry out the professions they made for the purpose of obtaining power, the natural result is a feeling of uncertainty and a want of confidence that must greatly tend to injure the prosperity of the country. But I must touch another cause of depression before I leave that subject which has operated with particular harshness upon the people of Nova Scotia. I refer to the management of the Government Railways by Mr. Brydges. If the Government of Canada had desired to harrass and destroy the industries of Nova Scotia, if it had been their purpose to paralyze the trade of this portion of the country, and to embarrass, annoy and impoverish everybody, I defy them to have adopted a more thorough and effectual means of accomplishing that end than the manner in which they have managed the public railways. When the Government of this Province constructed those portions of road which are now absorbed in the Intercolonial, they pledged their good faith not to build the road with money which the people had been taxed to procure, and then tax them a second time by unreasonable exactions. If the roads were being run by a private company solely for their own advantage, we might not have so much reason to complain. But I say that the good faith of Nova Scotia was pledged, and it rests upon the Government of Canada, whoever they may be, after they have undertaken the responsibility of running these roads, to manage them in such a way as will conduce most to the prosperity of the country. I am prepared to demonstrate in the most thorough manner that the trade and revenue of Canada is increased by the construction of these works to a larger extent than will pay the interest on every dollar of their construction, and that the revenue that goes into the coffers of Canada to-day is larger by an amount that would pay six per cent. interest on every dollar of the cost of those works than we could hope to have it if the roads were not constructed. If that is the case then the people of Nova Scotia, who have been charged with the debts created by the construction of these roads, have a right to have the principle carried out upon which the roads were constructed. But looking at it as a pure question of commercial economy and policy, the present Government, while sending dismay and distress throughout Nova Scotia from end to end by the unjust exactions from the people using these roads, has actually received less money into the treasury of Canada from the operation of the roads than if they had not caused all this misery and loss to all classes of the people throughout Nova Scotia. We are told all sorts of vague stories about the wonderful skill of this great Napoleon of railways, as Mr. Brydges is called. There is a very curious little incident connected with this matter, and it is this: The Government of Canada publishes a statement of the monthly returns of the railways in Canada. They published that statement down to March, 1875, and it told a curious story. It told the story that instead of this Napoleon of railways being able to grind out of the people of the Maritime Provinces the amount of money that he had promised the Government he would give them if they would send him down here, he had got only $57,943 from freight returns for the month of March, 1875, against $67,946 for March, 1874. Strange to say, from that day to this we have not been able to drag out of them by all the pressure and power of the press or to compel them to do the duty they are bound to perform by publishing in the "Canada Gazette" every month what the returns are. Mr. Mackenzie tells the people at Sarnia that he is going to show a gain of $300,000 in the Intercolonial. I say the whole story of the great deficit was fictitious, and I demonstrated on the floor of Parliament that instead of three quarters or half a million it was $122,000, and matters were so arranged that had there been no change of Government there would be no deficit, but the railways could have been handsomely paying all

working expenses as things were going on. But I undertake to say that unless they change the form of the public accounts, if they bring them down this year as they did last year and do not charge to capital account anything in connection with them, I stand pledged to show that instead of showing $300,000 to the advantage of the railway it will show that it is $300,000 the other way, and I trust that you will remember that, and when this matter is discussed in Parliament, when they no longer will be able to hide those returns, you will see whether I will be able to make my words good or not. But, sir, suppose it were true they could get their three hundred thousand dollars. I say they would get the money wrongly. I say the gain would be insignificant compared with the just management of the affairs of this great country. It is enough to make a man weep to see the old roads covered with people driven off the lines that were built with their money, compelled to do with horses and oxen that which under the old Government they did successfully on the railroad of the country. I am asked why we did not bring the road into Halifax. I am afraid the "Morning Chronicle" has a short memory. On the floor of the House I moved that the papers relative to this subject be brought down. They were brought down, and in them will be found my vindication. It is proved by the papers that from the hour I entered the Government, which was only in the year 1870, no subject more earnestly engaged my attention. I got the Minister of Public Works to put a sum for that purpose into the estimate, and it received the assent of the House. Mr. M'Nab, the Government Engineer, examined the road, and I came down to Halifax and said to the merchants of this city, here is our plan: we are going to strike off at the three mile house and come out back of the Horticultural Gardens. They said it would not do; that our plan was a mistake. I went back to the Government and said, we have made a mistake; we must stop. The Government sent down Mr. Fleming with instructions to look at the whole subject, not only from an engineering point of view, but with a view to the commercial interests of the community. He did so, and he said the best plan was to cut right through the Dockyard and bring the line down to West's wharf, where they could have both land and water communication. We tried to carry out that plan. We went to the Admiral and used all the personal influence we could bring to bear upon him, but in vain. We then went to higher authorities, and applied to the First Lord of the Admiralty, but did not meet with much success there. We then went to the Imperial Government, making our application through Governor Archibald, who was then in England. I need not tell you we failed. I then said to the Government, we must not pause here; let us do the next best thing, ask Parliament to give us money enough to buy the whole row of houses along Water Street, and bring the line down through that street to West's wharf, and make a new street. The Government assented, and put the sum into the estimates. They were prosecuting that matter as vigorously as any man could prosecute his own affairs, and even Mr. Jones was compelled to admit that our vindication was complete. I have shown you that wherever I am, and I am sorry that some of my dear friends of the Government press here seem broken-hearted that I do not reside in Halifax, I am in everything that interests or affects this important city, the emporium of the whole Province, as energetic on your behalf as if I held my seat in Parliament by virtue of your suffrages. I am asked my opinion respecting contractor's claims on the Intercolonial Railway. A number of claims which were presented to the late Government were deferred until such progress had been made in the work that they could all be taken up together, and some common principle adopted in reference to them. At the last session of the House of Commons a Bill was passed for meeting just such cases as these; such cases as the official arbitrators could dispose of being excepted from its operation. Whether claims, then, were well founded or not, the present Government, and every Government were bound, when application was made under the new law, to give them a prompt answer and enable them to try their rights in a court of law. What are they afraid of? They struck out of the Bill before they allowed it to pass the right common to all Englishmen of having a jury of his fellows to try his case. They have framed the law so that the judge appointed and paid by themselves is to decide between the citizen and his Sovereign. Yet they refuse to act under this law. Contractors who approached the Government six months ago by respectful petition asking permission to try their claims under the Bill of Rights have begged and prayed and beseeched them for an answer, and are still without it. Let the "Morning Chronicle" ask the Minister of Justice, with his salary of $7,000 a year, to leave the practice of his own private business in the courts of Ontario, and attend to the work that he is paid by the peoples' money to do, and

give justice to Her Majesty's subjects throughout the Dominion. Mr. Mackenzie says the Minister of Justice has not been able to overtake these cases yet. He never will be able to overtake them until he leaves his private business to attend to his public duties, and does the work that he accepts his salary of $7,000 for performing. Mr. Mackenzie says it is a small matter. I am told he intimated to the contractors who had an interview with him—"Oh, there are only a half a dozen of you!" Does he not know what is behind these men? Does he not understand the ramifications of credit, and that if money is owing to those men it is not only owing to them, but to people who are suffering in every section of the country in connection with this depressed state of trade, and that have a right to receive an answer on this question from the Government? They will receive an answer. It can be but one, and it will be an answer that will enable them to go to the foot of the throne, or at all events to our vice-regal throne—for we have that if everything else is taken away—and have the matter adjudicated upon by a judicial tribunal; and that I believe is all that they ask.

The feeling of the whole country is one of blank disappointment with the present Government. But I do not think there should be disappointment amongst those conversant with their past record. Take the whole history of the party now in power, and what do we find? They call themselves the Reform Party. Why, gentlemen, what have they reformed? Mr. Mackenzie told you that they had passed all their measures. He should have told you they had passed all our measures. Did he tell you of a single one that he did not get cut and dried from his predecessors? I think it would puzzle him to do so. I have always claimed that I was as Liberal as I was Conservative; that the broad name adopted by the party to which I belong, and which I believe is going to be a power in the country, from one end to the other, was one that the late Government was justly entitled to, and they have by their Speeches at the opening of each session tacitly admitted that we left them nothing to reform. When our late lamented statesman, the Hon. Joseph Howe, succeeded in inducing Parliament to do a simple piece of justice to this Province, how was he met? He was met by all the opposition it was possible for the Reform Party to produce. The "Globe" endeavored to show that we were not entitled to a dollar. They put up Mr. Wood, their ablest speaker in Ontario, to prove that you had too much already. But the Liberal-Conservative party was too much for them, and Mr. Blake hurried away to the Local Legislature of Ontario and got an address to the Crown passed asking that this piece of justice be taken away from us. And yet these are the men who would come down to Nova Scotia to woo you with their sweet voices. They may continue to say, we have been true to our principles of reform, but I say they could find nothing to reform. All the title they can find to the name of Reformers is to be found in the records of the Courts that have consigned nearly a score of them to political destruction. They talk about Sir Hugh Allan giving $45,000 towards the election fund in Ontario, and Mr. Mackenzie said on the floors of Parliament that our statement that they had used money at their elections was false. And yet in Simcoe the Reformer Cook spent $28,000. Major Walker and his friends spent from $20,000 to $30,000 on his election, and M. C. Cameron over $20,000. Go where you will, to Chambly, Argentuiel, Dorchester, wherever the courts have pursued their investigations, the record is the same, shewing the most gigantic corruption ever attempted in any country. (Applause). But the result of these trials of contested elections also showed that the Liberal Conservative Party rested on firmer claims to the support of the people, and did not buy its way into Parliament.

Again we are told that we resisted the payment of eighty thousand dollars to this province on account of the Post Office, and I am taunted because I opposed that payment. I will tell you why I did not press it. When Mr. Howe was doing battle in your interests on the floors of Parliament he was met with this statement, if we vote these two millions, you will come back for more. He pledged his honor as a man that he would not, and when I went into the Government he had taken his attitude. The very men from Ontario who had taken the ground that the money paid should be in full went back on their record and supported that $80,000 more. So also they opposed the readjustment of the debt, which has furnished Nova Scotia with the means of carrying on her public works. I am not obliged to ask you to take my testimony on this point. I can read you the speech of the Finance Minister, delivered before his last visit to England, in which you will find him complaining of the late Government for readjusting the debt, thus placing a million more at the disposal of Nova Scotia for the public works of the country. When I have evidence of this sort before me, I am justified in standing here and saying that they are not

managing, but mismanaging, the affairs of the country. What did your Representative, Mr. Power, say in alluding to the gentlemen composing the so-called Reform Party before they had come into office? "I have no hope. I have seen these men and know them to the core, and I am satisfied that whenever the interests of this Province are at stake we have nothing to expect at their hands." Mr. Power's testimony stands here upon record, and proves that whatever other merits he has, he at least has the merit of being a prophet and a true one. What did the Hon. A. J. Smith of New Brunswick say? On returning to his constituents he said:—"Gentlemen, five years ago you sent me to the Parliament of our country with all my prepossessions in favor of the Reform Party. Having carefully watched both sides, I have been giving my support to the Liberal-Conservative Party, and I tell you as an honest man, that if you choose me as your Representative again it must be on the understanding that I am still to support that party, because I consider their policy more advantageous to the Maritime Provinces." In West Toronto I stated in the presence of the Government candidate, who is not likely to have the satisfaction of representing them in Parliament, however, that I was prepared to show that they were a Government without principles, who had systematically trampled principles under their feet ever since they came into power. I read from Mr. Mackenzie's lips, as reported in the "Globe," of July 6th, 1872, the following statement:—"THE POLICY OF THE LIBERAL PARTY is to make the Parliamentary Government supreme—*to place the Government directly under* the control of Parliament; to take from them ALL POWER TO USE ANY PORTION OF THE PEOPLE'S MONEY WITHOUT A DIRECT VOTE FOR EACH SERVICE." I then showed that with that statement on record, Mr. Mackenzie took $2,665,000 of your money, without a dollar having been voted, and appropriated them to the purchase of steel rails for use on the Pacific railway. Well, we asked him, "did you want the rails?" We knew that he could not use between four and five hundred miles of steel rails for many years to do his best, the way he was going on. And we asked him if he wanted them. He had to confess that he did not, but he said, "We made a capital bargain." We asked Mr. Mackenzie it he had any reason, as a commercial man, to suppose that that purchase of 50,000 tons of steel rails, at a cost of $2,665,000, half-a-dozen years before he wanted them all, was likely to save any money. We said he would not only have to pay a quarter of a million dollars interest, taking the average time that must elapse before they could be used, but that every commercial man with a head on his shoulders knew that the same causes that had brought the price of rails down were still in operation, and likely to continue for some time,—and that he bought on a falling market, and had probably sunk a large sum of money. Oh, he had no doubt about that; there would never be such an opportunity again. I stand here to show that he sacrificed the interests of the country by not waiting until the rails were required; that the same company from which he bought have since offered them for $10 a ton cheaper than he bought them. The rails that cost, on an average, $54 laid down in Montreal, were afterwards offered for £8 stg. in England,—and that with $4 a ton freight, which is an ample allowance in the present condition of freights, makes $10 per ton loss, which is but a small proportion of what you will sink by this very energetic Minister of Public Works—in this instance, I think, a little too energetic. But I say that the amount of money lost by this transaction—three-quarters of a million dollars of the money of the people of Canada, which are scattered to the winds—is a small matter compared with the violation of the principles that Mr. Mackenzie had professed, and which lie at the very foundation of good government. (Cheers.) Show me such a transaction on the part of the late Government during the seven years they held power, and I will not again dare to face an intelligent people. I say that if any Prime Minister can put his hands in the public treasury and take nearly $3,000,000 without a vote for the purpose, Parliamentary Government is not worth a rush. (Cheers.) What is the control your representatives have over the Government? Is it not that they hold the purse-strings, and that the Government cannot get hold of your money without having it first voted in Parliament? What was Mr. Blake's answer when I put these statements, even more boldly than here, in Toronto, almost in his hearing? What did he say? That we had built the Intercolonial Railway twice as long as it should be. What did that mean? Why, that he had never forgiven the adoption of the North Shore route, a route adopted contrary to their wishes, but where it was desired by all Nova Scotians. I do not say it was located there in the interests of Nova Scotia. It was done at the instance of Her Majesty's Government, that they might possess at all seasons of the year a road through the country, removed from the frontier,

However, I will say that if it were only as a protection against the abrogation of the bonding system the] road is worth all it cost. (Applause.) Now, it has been said by Mr. Blake that our Government paid for the steel rails, with which the Intercolonial Railway is laid, about fifty per cent. more than the present Government paid for the rails for the Pacific road. Suppose we had paid 100 per cent. more, would not every commercial man laugh at such a reply? But what will you think when I tell you that, on the Journals, it is proved that Mr. Blake, instead of speaking the truth (mind, I do not mean to insinuate he means to state what is untrue), but he should have been more careful than this when he made such a grossly unfounded statement as that, a small mistake, amounting to only $920,000 on that transaction. On the Journals we find, to a dollar, the price paid for 40,000 tons. Mr. Mackenzie paid $54 a ton; fifty per cent. on that would be $81. What do you suppose we paid? Fifty-eight dollars and sixteen cents for rails delivered at points along the shore of the Gulf. I mention it because, out of the whole bill of indictment I brought against the Government the other day at Toronto, this was the only point Mr. Blake endeavoured to touch. I told them, at the same time, that this Mr. Brydges—who is anxious to wring the last dollar out of the pockets of the people of Nova Scotia, in order to make capital for himself—made a bargain with the Spring Hill Mining Company, by which he not only made them a present of five miles of railroad which belonged to you, but pledged the Government to lay the whole with new rails. Although I have the most friendly disposition towards Spring Hill, in the county of Cumberland, I am bound to state that a deeper wrong was never inflicted upon the people of any Province. That five miles of road would not only have benefitted the Spring Hill Mining Company, but the several mining associations might have transported their coal over it to the main road, and it was also the connecting link between the latter road and the line to the Basin of Minas. As a question of public policy, such a transfer was calculated to injure the best interests of the country. If you could find one instance of such a violation of everything like parliamentary government on the part of the late Government, I would never present myself before an intelligent audience like this again. Mr. Blake had not a single word to utter in defence of this transaction. It was wholly indefensible. No wonder public confidence is shaken when public affairs are guided by men so utterly reckless. Another act that cannot be passed over without comment was that committed by Mr. Mackenzie when he took from the public monies $67,000 duties collected from the Great Western Railway Co., and handed it back to them. The transaction was precisely the same as if he were to refund to any merchant the duties paid by him during the last three years.

The next question asked me is, Why didn't I give the extra member to Halifax? That is a curious question to ask at this juncture. Mr. Jones, some time ago, indicted me before the people of Halifax for that very thing. I at that time stated, over my own signature, frankly and fairly as I always do, my reason. The answer was accepted. The people allowed Mr. Jones to remain at home and attend to his private business, and elected a supporter of the Administration of which I was a member. (Hear, hear, and cheers.) I can say that at the present moment Halifax would be better represented in the Dominion Parliament if it had no member there at all. (Cheers.) I think you mistake me; I am perfectly serious about this, and I had not the slightest reference to your present members. What I mean to say is this: The member for Cumberland is a member for Halifax, and the men I see before me would give more weight to Halifax, even without a member, than most other counties could hope for with one. (Applause.) I say that no man who is the representative of any section of Nova Scotia can afford to be indifferent to anything connected with the welfare of Halifax, knowing, as he must, that the good of the country, as a whole, is largely dependent upon the progress and prosperity of the great metropolis. But I think there was another reason that might have suggested itself. What have I seen? I have seen the people of Halifax submitting to have a representative, after they had elected him, turn his back on the Parliament with scorn and contempt, and continue to prosecute his own mercantile affairs, while Halifax was left to take care of itself or to depend upon the care of some outside members. Therefore I thought that any people or any newspaper that approved of his leaving the affairs of the city to take care of themselves, have scarcely a right, in common decency, to put the question to me: Why did Halifax not get a third representative? I am asked why British Columbia got six members, and why Manitoba got four members? Is there a man in my presence to-day who does not know that no portion of this Dominion is more interested in having the Maritime Province of the Pacific

largely represented than the Province of Nova Scotia? There is no interest that touches us which does not touch them in the same way. In regard to shipping, fisheries, coal, or anything you like, they stand in the same position as ourselves. But I say that, apart from this, it was just not to provide a representation for a whole Province so small that they would feel that they had no representation. As to Manitoba, when you take into consideration the boundless prairies that are to become the home of millions of people, as I hope, you will feel, I am confident, that we were entitled to give them four representatives. It would be an insult to you to take up any more of your time in instructing the *Morning Chronicle* on that subject. The next subject referred to by the *Chronicle* is the Washington Treaty—the coal and lumber question; why the representative of Canada, in the negotiations leading to the Washington Treaty, did not close in at once when the Americans offered free coal and free lumber. I think you would agree with me that he would hardly like to show his face in Canada if the moment that they had made their first offer he had greedily accepted it. Who does not know that the Reciprocity Treaty was much more advantageous to the United States than it was to us, and that we had a just and fair and legitimate right to get as comprehensive a treaty in the Washington negotiations as we had under the old arrangement? The Canadian Commissioner asked for more, and he would have been a traitor if he had not asked for protection for the shipping and the agricultural interests of this great country, as well as for the coal and lumbering industries. But immediately after the offer of reciprocity in coal and lumber was made, it was withdrawn. Why? Because the Government found that the Pennsylvania coal interest would prevent such a treaty from passing. The *Chronicle* must, therefore, go to Pennsylvania and arraign the coal owners there. The question as to the majority award allowed in the settlement of the Alabama Claims and the unanimous award required in the case of the fisheries is one the then Marquis of Ripon would be better qualified to answer than I am. The next question asked is whether I made money corruptly out of the Pictou Railway, the Spring Hill Coal Mine, and the Fraser-Reynolds supplies. I might answer these questions by reminding them of the Lyman Beecher story, given them by the Premier, but I will not. I have never shrunk in the course of my political life from meeting boldly anything that could be brought against me by my most malicious enemy. A man who is not prepared to defend his character against all aspersions is not fit for a public man, and therefore, insulting and degrading as these questions are to those who without the slightest warrant ask them, I am prepared to meet them, as I have ever met the slightest insinuation on the floors of Parliament. I say that these are lying and calumnious insinuations and challenge any one to show that I have obtained corruptly, through any railway contractor or from any other source, a single dollar (cheers.) When the Finance Minister made an allusion in Parliament to my supposed connection with Fraser, Reynolds & Co., I said I would submit to the closest investigation, and if it could be shown that I had any connection with the affairs of that firm, that I would resign my seat in the House. The hon. gentleman instantly withdrew the insinuation and said he had not intended anything of the kind. So I stand here to-night, and humiliating as it is to be challenged with anything so utterly degrading, yet, as the challenge is thrown out by the organ of a great party I hurl it back, and defy them to show any act touching my personal honor. As for the Pictou Railway, don't they know that the Hon. John W. Ritchie, the present Judge in Equity; the Hon. Samuel Leonard Shannon, the Hon. William A. Henry, are equally responsible with myself for the Pictou Railway contract? Mr. Archibald in vindication of his position as leader of the opposition, submitted that transaction to the closest scrutiny, but he has declared over his own signature that he never dreamed nor insinuated an act of personal corruption against myself. But what is to be thought of the party who assail me, when the contract was drawn up in the handwriting of the very man whom they have put over the head of the Chief Justice, and appointed a Judge of the Supreme Court of Canada? They say it was through my influence that Fraser, Reynolds & Co. were enabled to furnish supplies to the Intercolonial Railway. The evidence on that question is before Parliament, procured after the fullest investigation. Mr. Carvell testified that he had authority to order everything that was required without interference from the Government or any member of it, and that he, in fact, had no instructions whatever from the Government or any member of it to make purchases from that firm. Mr. Taylor his predecessor was interviewed by Mr. Jones, and when it was found that his testimony would only go to confirm that of Mr. Carvell, he was allowed to depart without being asked a word. As regards the Spring Hill Mines it has been

proved beyond controversy that my connection with them took place after I had ceased to be a member of the Government of Nova Scotia, and was as free to speculate in Coal mines as any man in Canada. I am asked, lastly, to explain how it is that I came to this city a poor man and left it a rich one. A portion of the press of this city has been vile enough to state that there was a period in my life when some of my friends were obliged to contribute to my support. Degrading as it is to notice things of this sort, I defy them to show that there is a particle of truth in this statement. I have spent between 30 and 40 years of my life in the most self denying industry, and, I hope, not altogether without some business tact. Ought it to be said of a man after 30 years or more of hard toil that because he is not a poor man he must be dishonest? But, from the records of my own county, I can show that I was loaning money upon mortgage as much as 30 years ago, and before I entered public life I had accumulated a large amount of property. I am asked why I accepted the post of City Medical Officer? Because, sir, I hold it to be an office of honour and distinction to guard the lives and health of the people of this important city. But I will tell you how I filled that office. The very first report I made was to recommend the abolition of the office of which I was represented as being so covetous, and to urge the institution of a new method of dealing with poverty and disease in the city. When this change was accomplished I resigned. I will not insult this audience by going into any further discussion of my private affairs. These gentlemen want to know why I deprive Halifax of my presence. If it is a satisfaction to them to know it I am not ashamed to say that I do not live here because I am living now as I have lived all my life by daily toil and industry in the profession to which I have the honour to belong (cheers.) I feel that I have exhausted all this long string of questions, and disposed as I trust once and forever of the calumnies of the men who having no principles of their own that will commend them to public approval and support, feel that the only means they have of obtaining public consideration is to drag other men down to the same level they themselves occupy (applause.)

I have been asked how I can have the audacity to come here and speak on a platform in Halifax. I am proud to say that I cannot see to-day on the face of my country a mark of progress and prosperity that has not been placed there by the great party to which I have the honour to belong. The railway to Pictou, the Windsor and Annapolis line, and the great Intercolonial line that connects this Province with the rest of Canada, and with the railway system of the United States of America are all the work of the great Liberal-Conservative party. That party when I was on the threshold of public life was formed out of the old Conservative party combined with a large section of the Liberal party. Our motto was equal civil and religious privileges. The party was thus formed upon the great principle that underlies the progress and prosperity of every country. That principle we held, not as a means of retaining power, but as a cardinal virtue, to depart from which would be unfair and would be an injury to the country. We did not create a party one day upon religious and sectional antagonisms and the next day bow ourselves in the dust to win the support of those that we had denounced. We raised the standard eighteen years ago in this Province, of equal civil and religious rights for all, and we march under that banner still. Formed upon that glorious principle by the union of a large section of the Liberal party with the old conservative party, and at a later day by the accession of a still larger section of the Liberal, when Archibald, McCully, and a number of other gentlemen united with us on the great question of Union, the Liberal-Conservative party stands in a position to-day to claim from the people of Nova Scotia, whether in Halifax or out of it, the credit of having contributed to elevate and increase the progress and prosperity of every portion of the Province. That is our claim; and after the brilliant and magnificent ovation with which you have honoured me to-night, I feel that while such is the record of the Liberal-Conservative party the humblest member of that party may present himself confidently in your presence to discuss fearlessly as I have done, the great questions of the day. While doing this plainly, and I hope in a manner that admitted of no misconception, I trust I have done it without giving offence.

I believe there never was a time in the history of Canada, when from the Atlantic to the Pacific, thoughtful and intelligent men were asking themselves with more earnestness whether it was not a solemn duty incumbent upon them, regardless of all party ties, to unite and endeavour to raise Canada from the depression in which unhappily we have for the last two years been making considerable progress. But I have no hesitation, however, in telling you that there is a good time coming. Whether you look East or West, or North or South,

you may observe evidences that the moment the people obtain an opportunity the Liberal Conservative party will be restored to power. You may think, gentlemen, that this is an empty boast. Let me give you some of the grounds on which I make it. In Ontario, the great seat of the power and influence of the Government, where, if they have not the means of being sustained they cannot find it anywhere, in Ontario I am in a position to tell you that since the last general election, against the combined power of both Governments, the Government of Ontario and that of the Dominion, which were converged upon each individual election, we have swept from under their feet six of the finest constituencies scattered broadcast over the Province of Ontario, while at this moment they have not one of ours. (Cheers.) These triumphs make a difference in the Province of Ontario alone, of no less than twelve votes on a division. If we can do that in Ontario, what can we not do in Quebec, where they have comparatively little hold upon the public mind, and where the recent local elections show that these men have been weighed in the balance and found wanting? They came into power upon a false issue, and have been engaged in trampling down those principles which are the safeguard of the people, until a complete reaction has exhibited itself everywhere. I said in Ontario, and I repeat it here, that those who scan the division list next session will find that we stand at least thirty votes stronger than we stood two years ago, by the action of the independent intelligence of the people of this country. But it is no wonder that this is so. I defy any men, however powerful they may be, and though backed by the most overwhelming numbers to carry on a Government successfully without principles. What have we seen in this Province? Who does not know that only yesterday (eight short years ago) the great Anti-Union wave that swept over the country like a Saxby storm, swept the Liberal-Conservative party almost out of existence, and nearly the entire representation in the legislature of the Dominion and of the Province of Nova Scotia was left in the hands of our opponents. But what was the difficulty? They had the numbers, and probably the ability to govern the country but they had not principles. We asked them, what are your principles? You have power, what are you going to do for us? They said: "We are going to punish the rascals who carried Confederation." That was the motive and animating principle that was expected to keep the great party together. What was the result? Where are those men? Go to the Government House, and you will find one of the most distinguished of those delegates presiding as Lieutenant-Governor of the Province, and enjoying the confidence of an overwhelming majority of his fellow-countrymen, if not of the entire population. I am bold to say that if the position were put to open vote to-morrow, he would poll two-thirds of all classes of the people of this Province. Go into the Supreme Court and you will find Judge McCully and Judge Ritchie holding two of the highest judicial positions in the country, respected and acknowledged by all classes of the people to be the men to whom the highest and dearest interests of the people may be safely confided. Last of all, what more do we find? The most distinguished and striking evidence of the absurdity of the attempt to govern a country on the principles of a party of punishment is the fact that with those gentlemen themselves in power, and myself and William McDonald, from Cape Breton, alone representing the Liberal Conservative interests in Opposition, when they had to name a gentleman for a higher judicial position than any existing in Nova Scotia, away above the Chief Justice, this party of punishment hunted up Mr. Henry, the remaining unprovided for delegate, in order that they might declare in the face of the world that those whom but yesterday they declared to be unfit to hold any positions of responsibility are the men in favor of whom, when a most important public office is to be filled, they must pass over the heads of their own friends and take a man from the ranks of those very gentlemen who committed the great wrong against Nova Scotia, as they said, of carrying it into Confederation. And now, sir, I alone am left, and I am almost afraid that they will come after me and want me to fill some office for which I am hardly worthy. But, sir, no one can be better satisfied than I am with the position I occupy, standing here as an independent representative in the Parliament of my country, having been nine times successively elected during a continuous period of more than twenty years in the county in which I had the honour to be born. I envy none of these gentlemen. Though I could not fill their positions, it would take something still better to induce me to leave the post I now occupy on the floor of Parliament, struggling to promote what I believe to be the best interests of my country. I believe what we see in Ontario and Quebec will exhibit itself in this Province, and that when the people of Nova Scotia have an opportunity of again electing a body of representatives they will do

themselves the credit of choosing men who will be so qualified for public office, that when the Government of the day have to find a successor to a gentleman like Mr. Wm. Ross they will not have to pass over the whole representation of Nova Scotia and seek outside for some person to protect the public interests. I feel that I have trespassed very long upon your time (No! no!), and that I owe you an apology. It has been so long since I have had the honour and the pleasure I have enjoyed to-night, that, coming face to face with the citizens of Halifax, I have experienced a feeling of regret that the time would arrive when I should have to say, at all events for the present, "Good-night." I may say, in conclusion, that as it is just possible that some gentleman may wish to have a fuller discussion, nothing would give me greater pleasure. I believe that the more our principles are discussed the better they will be understood and the deeper the hold they will take on the affections and judgment of the people. Nothing, therefore, will give me greater pleasure than to discuss at any time those principles here with any member of the Parliament of Canada. Thanking you for your patient hearing and kind consideration, I will now bid you "Good-night." (Enthusiastic cheering.)

At the conclusion of the speech, after the applause had subsided, Hon. James McDonald rose to propose a vôte of thanks to Hon. C. Tupper. He did so in a very few hearty and kindly remarks. H. W. Allison, Esq., M.P.P. for Hants, seconded the motion in an exceedingly happy speech, which, being delivered too far from the front of the platform, was indistinctly heard, though it deserved a good hearing.

Hon. C. Tupper then moved the thanks of the audience to the Mayor, who was, as he said, a strong and consistent supporter of the principles of the Liberal-Conservative party, and was the son of an able and eloquent clergyman, who had also done noble work for the cause of Confederation. There was then a loud call of "Woodworth," "Woodworth;" and Mr. Woodworth came forward, and seconded the vote in a very few pointed remarks, which were received with applause.

After this, three cheers were given for the Mayor at the suggestion of Hon. C. Tupper; three for Hon. C. Tupper, and three for the Queen.

THE FOLLOWING ARE SOME OF THE

PROMINENT WEEKLY CONSERVATIVE JOURNALS

IN ONTARIO.

NAME.	WHERE PUBLISHED.	COUNTY.
BRUCE HERALD	Walkerton	*Bruce.*
PLAINDEALER	Prescott	*Grenville.*
COURIER	Newmarket	*York.*
STANDARD	Dundas	*Wentworth.*
TIMES	St. Thomas	*Elgin.*
PLANET, WEEKLY AND TRI-WEEKLY	Chatham	*Kent.*
CANADIAN	Sarnia	*Lambton.*
DESPATCH	Strathroy	*Middlesex.*
COURIER	Morrisburg	*Dundas.*
TIMES	Woodstock	*Oxford.*
NEWS	Milton	*Halton.*
GAZETTE	Dunville	*Monck.*
BRITISH CANADIAN	Simcoe	*Norfolk.*
HERALD	Stratford	*Perth.*
ADVOCATE	Mitchell	"
STANDARD	Pembroke	*Renfrew.*
STAR	Arnprior	"
REPORTER	Galt	*Waterloo.*
GRAND RIVER SACHAM	Caledonia	*Haldimand.*
STANDARD	Napanee	*Lennox.*
TIMES	Windsor	*Essex.*
REVIEW	Kincardine	*Bruce.*
STAR	Goderich	*Huron.*
TIMES	Port Hope	*Durham.*
TRIBUNE	Ingersoll	*Oxford.*
PACKET	Orillia	*N. Simcoe.*
VICTORIA WARDER	Lindsay	*Victoria.*
SUN	Orangeville	*Halton.*
GAZETTE	Picton	*Prince Edward.*
TELEGRAPH	Welland	*Welland.*
TIMES	Owen Sound	*Grey.*
COMET	"	"
ENTERPRISE	Collingwood	*Simcoe.*
NORTHERN ADVOCATE	Barrie	"
CHRONICLE	Whitby	*Ontario.*
WEST DURHAM NEWS	Bowmanville	*Durham.*
VINDICATOR	Oshawa	*Ontario.*
TIMES	Windsor	*Essex.*
SENTINEL	Coburg	*Northumberland.*
REVIEW	Peterboro'	*Peterboro'.*
MONITOR	Brockville	*Leeds.*
ECHO	Amherstburg	*Essex.*
ARGUS	Otterville	*Oxford.*
CENTRAL CANADIAN	Carleton Place	*Lanark.*
EXPOSITOR	Perth	"
CONSERVATOR	Brampton	*Peel.*

DOMINION CONSERVATIVE DAILIES.

MAIL	Toronto.
LEADER	"
FREE PRESS	London.
HERALD	"
SPECTATOR	Hamilton.
CITIZEN	Ottawa.
NEWS	Kingston.
INTELLIGENCER	Belleville.
COURIER	Brantford.
HERALD	Guelph.
GAZETTE	Montreal.
HERALD	Halifax.
REPORTER	"

REFORM GOVERNMENT

IN

THE DOMINION.

THE PIC-NIC SPEECHES

DELIVERED IN THE PROVINCE OF ONTARIO DURING THE SUMMER OF 1877,

BY THE

HON. A. MACKENZIE,

PREMIER AND MINISTER OF PUBLIC WORKS

HON. E. BLAKE,

PRESIDENT OF THE COUNCIL,

HON. R. J. CARTWRIGHT,

MINISTER OF FINANCE,

HON. L. S. HUNTINGTON,

POSTMASTER-GENERAL, and

HON. D. MILLS,

MINISTER OF THE INTERIOR.

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TABLE OF CONTENTS.

/70

THE DEMONSTRATION AT KINGSTON.

WEDNESDAY, JUNE 27th.

Addresses Presented and the Premier's Reply.

To the good old Tory City of Kingston is due the credit of holding the first of the series of splendid Demonstrations which have taken place in Ontario during the year in honour of the Reform Leaders, and nowhere could the reception accorded have been warmer, or the success of the Demonstration more complete and gratifying. From six to eight thousand people were present, including, besides those from the city, many well-known Reformers from the County of Frontenac and adjoining districts, east and west. Upon the arrival of the two Premiers, a large procession was formed on Haymarket Square, and, accompanied by several bands, marched through the streets, which were gayly and handsomely decorated, to the Crystal Palace, where the speaking took place. The chair was occupied by an old Kingston Reformer, WM. FORD, Esq., and in addition to the speech of Mr. MACKENZIE, addresses were delivered by the Hon. Messrs. CARTWRIGHT, MOWAT and HARDY, Col. ROSS, M. P., A. MCNABB, M. P., H. M. DEROCHE, M. P. P., and WM. ROBINSON, M. P. P.

Mr. F. GILDERSLEEVE read the following Address to the Premier on behalf of the Reformers of Kingston:—

To the Hon. A. Mackenzie, Premier, &c.;

The Reformers of Kingston rejoice to bid you a cordial welcome. We are pleased to see that notwithstanding your many and arduous labours, your health, so important to the country, is unimpaired, and we trust it may long be preserved with your services to us.

It was not to be supposed that you or your Administration would be allowed to enter upon the government of the country in 1873 without being made the object of attack, however unjustly, by those whom you succeeded under circumstances so discreditable to them, animated by envy, and smarting under humiliating defeat, baffled plans, and disappointed ambition; but we regret for the honour of our country that these unfounded attacks have been continued with painful iteration and increasing virulence session after session, wasting the public time, hindering the progress of useful and necessary legislation, and threatening to discredit parliamentary government in the eyes of the people.

Such a course is unpatriotic, and would only be resorted to by men impelled more by personal aims than by a desire for the welfare of their country. It also becomes highly unpatriotic when we consider the difficulties these men left behind them, which had to be disposed of by your Administration. Instead of seeking to embarrass you, they should have come to your assistance and to the assistance of the country, to help to overcome the difficulties they had created rather than to aggravate them.

We have no desire that the measures of the Government should not be subjected to the fullest examination and discussion, nor do we for a moment underrate the importance and usefulness of an Opposition which discharges its functions fairly and within parliamentary and constitutional limits; but we hold that the reputation of our public men is the property of the country, which has a right to complain when attempts are made to tarnish this without any proper cause or foundation for the slander. We are glad that those attempts have signally failed as they deserved, and that you still command the willing and loyal support of a large majority of the people's representatives in the House of Commons and of the people themselves, and that the country still maintains a steady confidence in yourself and your Administration, and will long hesitate before returning to the former improvident *regime.*

Making a fair allowance for the fallibility ever attaching to the most able and best men, we see nothing in your career or in your administration of the affairs of the country that in the slightest degree shakes our loyalty and attachment to yourself as the trusted representative of those great political principles professed by the Reform party, the success of which principles has built up the great Empire of which we form a part, and has made its polity a guide to the nations.

The country knows the serious difficulties which you had to encounter when you took office in 1873—the unsatisfactory state of the public finances, the improvident and impossible undertaking entered into with British Columbia by the preceding Government as to the Pacific Railway, besides other unpleasant legacies left you; and bearing in mind these things, we have to congratulate you and your colleagues on having so successfully conducted the affairs of the country hitherto, and we pray that you may long continue in your present position, to bring all those matters, of such importance to the country, to a satisfactory issue, and to guide the ship of state safely onward amid enlightened progress and national prosperity.

We have noticed that a very unfair and unworthy use has been made by your opponents of the trade depression which has affected this country as well as other countries for some time past. They have not scrupled, for the purpose of making political capital, to charge your Government with being the cause of the stagnation of trade and consequent suffering which has occurred, while they knew perfectly well that such trade depressions are natural phenomena, recurring and to be looked for with almost periodical regularity in all trading and manufacturing communities, the effects of which can only be properly guarded against by the sagacity and prudence of the traders and others immediately concerned, and while they knew also that when they themselves were in power the country had experienced similar visitations, which had ran their course as the present will; but we think more highly of the intelligence of Canadians than to believe that they will be deceived by this device, so unworthy of honourable political warfare.

We cannot conclude without, as Kingstonians, thanking you for some things done here by your directions, which, while the best interests of the whole country have been consulted, yet conferred an honour and a benefit on our city.

We refer especially to the establishment of the Military College here, and to the work done in preserving the fortifications and Government property, which was not undertaken a day too soon; and we might mention other evidences of the interest you have manifested in our ancient city, all entitling you and your colleagues to a cordial reception at the hands of Kingstonians, even irrespective of politics.

In conclusion, we thank you and your colleagues present for accepting our invitation to speak to us on the more important affairs of the country. We heartily welcome you here. We tender you our continued confidence and support, whether in or out of power. We hope you will carry away with you pleasant reminiscences of your visit to the Reformers of this locality, and that it may not be the last time we shall have the pleasure of welcoming you to the City of Kingston.

Mr. JAMES MCGRATH read a similar Address on behalf of the County of Frontenac Reform Association.

Mr. ROBT. CARROLL read the following on behalf of the mechanics and workingmen of Kingston :—

To the Hon. Alexander Mackenzie, Premier of Canada, and the Hon. Oliver Mowat, Premier of Ontario:

The mechan cs and workingmen of Kingston would avail themselves of your welcome presence among them to signify their approval of your political conduct, and to publicly express their pride and gratification at seeing two of the most distinguished positions in the Dominion occupied by statesmen whose early history is so pleasantly and honourably associated with that of this city. As leaders of the Liberal party, your public lives deserve our commendation, displaying, as they always have, an earnest solicitude for the welfare of the working classes, and devoted, as they ever have been, to the vindication of the principle of equal rights to all. We desire to here acknowledge our thanks for the righteous Lien Law enacted by the present Liberal Government of Ontario, which has proved a valuable boon in protecting the rights of the builder and contractor from being trampled upon as formerly. An extension of the just principles of this law, so as to shelter the workingman from the loss of his hard-earned wages, would perfect a piece of legislation which is a credit to the Liberal party, and proves the sincerity of its claims to be regarded as the true friend of the people.

As workingmen, it is very gratifying and inspiring for us to be reminded, as we are on this occasion by a glance at the past, that the highest distinction in the land is open to honest worth, and that no social barriers exist among us to prevent any one qualified in character and talents from serving our respected Sovereign in the most lofty positions. Such reflections are calculated to promote our loyalty to the Crown and contentment with our country and its institutions, and to assure us that we live in a community really free, where workingmen are not a despised class, but where they can even aspire to control the destinies of the Dominion.

Though not insensible to the pressure caused by the depression in trade, we wish to express our continued confidence in the administration of affairs by the Liberal party, knowing as we do that "hard times" are felt more severely in other countries than ours, and under all kinds of tariffs, and that no Minister can disperse them with a stroke of his pen or a wave of his hand, their causes being beyond his control. As we believe the Liberal party has only the good of the people at heart, we have confidence that it will leave nothing undone to promote their true interests, and will do nothing that sound and cautious statesmanship cannot approve. We appreciate at what they are worth the appeals with which crafty demagogues are trying to mislead the workingman, so as to get back the power they shamefully misused, and we regard our interests as safer in the honest hands of old and tried friends, than in those clean hands which would "wave us back to our paint-pots" and workshops if they could.

'Hon. Mr. MACKENZIE, in rising to address the assembly, was greeted with loud and long-continued applause. He said: Mr. Chairman, Ladies and Gentlemen, I desire on behalf of myself and my colleagues to thank most sincerely the gentlemen of the County of Frontenac and the City of Kingston who have presented to us the addresses which have just been read, and for their kind expressions of good will. I am sure that this magnificent demonstration is in itself a sufficient refutation of the very gross and coarse calumnies that have been alluded to in those addresses. (Hear, hear.) I will not say much in reply to these addresses at present, as I am to speak in the course of a few minutes on other topics; I will only say in response a few words regarding the City of Kingston—my first Canadian home—(cheers)—and those local affairs in which I can never cease to take an active and lively interest. Standing before this assembled multitude, I can recall many pleasant reminiscences of bygone years, for it was in the County of Frontenac that I first tried my hand at chopping and farming—(hear, hear, and cheers)—and it was in the City of Kingston where I have worked—if not with Mr. Robinson and his paint pots (laughter), yet at something of the same kind. It is a matter of deep gratification to myself to be able to be present and hear your addresses in company with my old leader and valued friend the Premier of Ontario; and whatever may be the future in store for either of us, neither he nor I nor my colleague Mr. Cartwright will ever forget the kindness which has prompted the writing and the presentation of these addresses. I shall to the utmost of my power endeavour to merit the approval, not merely of the Kingstonians—for they are only a part of the great continental Empire which we are called upon to govern; but I hope to be able so to conduct myself in public life as to earn the approval of my fellow-countrymen, and especially of those who were formerly my fellow-citizens, and who have to-day in this demonstration, and by these addresses, given such flattering expressions of their kindly feeling towards us. (Loud cheers)

Similar addresses were also presented to the Hon. O. MOWAT, and suitably responded to.

HON. MR. MACKENZIE'S SPEECH.

Hon. Mr. MACKENZIE was next called upon, and on rising to address the meeting, again met with a hearty reception. He said: Mr. Chairman, Ladies and Gentlemen, I feel somewhat as Paul felt when he was permitted to speak for himself, because I believe (as he believed) that I am at least before an upright judge; and I am quite sure that the words I address to you, and which are addressed generally to the people of Canada, will find a hearty response among a vast majority of the people of this country. I know full well how difficult a task the Premier of this country has to perform.

Canada a Country Difficult to Govern.

We have a country vast in extent, vast in its territorial magnitude, vast in respect to its sectional views, and in its diversity of creed and race; and it is a task which any statesman

may feel great difficulty in accomplishing, to harmonize all those interests, and bring a genuine feeling of union to bear upon the prosperity of the country which he has to govern. Under the most favourable circumstances any one would feel necessitated to ask occasionally not merely the indulgence but the forbearance of friend and foe alike in a country like this.

The Government Assailed by Constant Abuse.

But since the day that my colleagues and I assumed the reins of office we have been met with one continuous strain of coarse and systematic abuse, which appears to have reached its culminating point at the meetings held by the Conservative leaders throughout the country at the present moment. (Hear, hear.) But, sir, I am not very much surprised at that, for I recollect very well the events which were developed in the earlier days of the history of this country.

Sir John as the Champion of Civil and Religious Liberty.

I was astonished, however, to find that Dr. Tupper, a few evenings ago, in pronouncing the highest eulogiums upon his leader, Sir John Macdonald, called that hon. gentleman the well-known champion of civil and religious liberty. (Hear, hear.) Why, sir, in the presence of many grey-haired men, the hon. gentleman must have appeared as the personification of the tyrant—as the sum and aggregate of civil and ecclesiastical bigotry and sectional domination. (Hear, hear.) Who does not remember when the hon. gentleman was one of those who battled, not for the religious equality that was spoken of, but for religious inequality? Who does not remember our early struggles forty years ago, when we strove to wrest the public domain from the hands of one denomination? Who does not recollect when Presbyterian and Methodist clergymen were sent to gaol because they dared to perform the ceremony of marriage? (Hear, hear.) The hon. gentleman, who is now introduced to the public of Canada for the first time as the champion of civil and religious liberty, was one of the defenders of that system; one of those who strove to perpetuate in our country the dominancy of a creed if not of a race. (Hear, hear.) I spent my earliest days in the political agitation incident to these struggles; my first political meetings were held in behalf of that cause which has been ridiculed by one of its principal opponents being characterized as its champion. (Hear, hear.)

Early Struggle of Reformers for Equal Rights.

Well do I remember the struggle we had in those days for our rights, and how at last, in December, 1847, we succeeded in electing that noble man, Robert Baldwin, with a band of Reformers strong enough to place him in a position to become First Minister of the day, and settle once for all the question of religious equality, in spite of the opposition of Sir John and his party. (Loud cheers.) I know that in a young country like this, passing affairs rapidly shape themselves into history, public events fast recede from view, and the vast majority of those whom I now address had no part in the struggle to which I have referred. But I refer to it now merely to say this: that the Reformers of this country will remember—those who were not alive at that time by reading, and those who were alive by having been in the midst of these events—with gratitude that it was the great leaders of the Reform party who first gave perfect civil and religious rights to the people of Canada. (Hear, hear, and cheers.) It has been asked what is the difference between the parties at the present moment.

Party Organization and Warfare.

We are told by a certain class—certainly not a very numerous or a very influential one—that there is no necessity for party organization in Canada, because all that separated parties in bygone times has been settled; that the questions that then divided us, now divide us no more. That no doubt is true to a certain extent; and it is also true that the men who first settled all these questions are the men who are most likely to administer the Government in accordance with the principles of those great measures which were disposed of by the Reform party under Mr. Baldwin and his successors. And it becomes highly necessary that the party lines which separated the Conservatives and the Liberals in the olden times should continue to exist, although I am far from saying that any political party can be justified in carrying party conflicts so far as to injure the prosperity or prospects of the country. Political warfare ought always to be respectable, and I can honestly say on behalf of those whom I lead, and I think I can also claim it for myself, that we have made every effort to make those party conflicts in which we have been engaged as respectable and as moderate as it was possible to do. It is true we may have occasionally to speak pretty strongly of the conduct of our political opponents, but I have yet to learn that it is necessary in party battles to impugn the motives of political opponents, or to question their veracity, or to pour forth a stream of coarse abuse such as has been indulged in by that well-known gentleman, Dr. Tupper, and his associates, Mr. Wm. Macdougall and some others.

Mr. Wm. Macdougall.

Of William Macdougall I shall say very little. I may refer to some things he has said, not because they are worthy of attention on that account, but because Sir John Macdonald now vouches for him as one of his honest friends—one who enjoys with his chief the affections of the Conservative party, and who must, therefore, be accepted as an authority by that party. For Mr. Macdougall's opinions I care very little, because I am not aware that I ever did anything to incur his good opinion. (Hear, hear, and laughter.) I propose to-day to devote the short time which I have at my disposal—not to meeting all the charges indulged in by my opponents at late meetings in this city, nor the charges levelled by the same gentlemen at other meetings, but I shall devote myself to a few particular points, and as I have to hold other five or six meetings within the next ten days, I shall devote a portion of my time at each meeting to

developing statements which I could not possibly attend to *in extenso* at any one meeting In the first place, I shall say regarding Dr. Tupper what I heard of a good old Methodist saying about a sermon which he had the good fortune to hear preached many times by a certain preacher—"Bless the Lord, this is the sixteenth time I've heard it, and it just seems to me the same old sermon, neither better nor worse." (Laughter.) I don't, however, object to a thing because it is repeated, and, indeed, it is a matter of perfect indifference to us whether Dr. Tupper repeats his speeches sixteen or twenty times.

Dr. Tupper's "Facts."

I have simply to deal with his statement of facts—yes, facts, we will call them, for Sir John Macdonald carefully avowed his opinion on the platform here in Kingston that everything that Dr. Tupper stated was a fact. (Laughter.) I believe he is the only man in the Dominion who could have ventured on so extensive a statement. (Loud laughter.) However, we must take what we get and be thankful. (Laughter.) It is one source of gratification to us to know that after we have been in office for nearly four years these gentlemen are unable at this moment to bring a single statement to the proof of all that they insinuated rather than alleged against us. (Cheers.)

Sir John Challenged to make good Outside Statements in Parliament.

Last year, in addressing an audience in my own county, I told them that I should challenge Sir John Macdonald on the floor of Parliament to make good his statements regarding me. I lost no time in fulfilling the promise I made, for I repeated the offer the very first day that the House met. (Cheers.) I gave the challenge three several times, but to this hour he has never taken it up. (Hear, hear, and cheers.) He allowed the whole session to pass, and never made a single attempt to prove his statements. I offered him a Committee and every facility for the examination of witnesses on oath, but the offer was not accepted, and now the same stale slanders are being repeated from county to county as if they had been established by sworn evidence. Dr. Tupper states them as facts, and Sir John vouches for their correctness. I suppose I can only reiterate my challenge to these gentlemen to bring them up on the floor of Parliament. (Hear, hear.) [A voice: "He won't do it."] I don't believe he will, but perhaps I may overcome his conscientious scruples by bringing the matter up myself.

How the Tories left the Country on their Retirement in 1873.

Let me refer for a moment to the position in which these gentlemen left the country. Sir John says that we succeeded to office on his resignation in 1873, and he resigned, he says, because he doubted if he had a sufficient majority to carry on the Government successfully. Sir John simply resigned at the last moment, because he found that if he had gone to a vote he would have been defeated in a House of his own choosing, for many of the men elected under his own auspices withdrew their confidence, and would have voted him out of office on finding of what he had been guilty. He had not the moral courage to face a vote, and now he proclaims to the country that he was an ill-used man because he was obliged to resign.

Crisis of 1873 and Sir Hugh Allan's Money.

I have been very much amused at the way in which the hon. gentleman and his colleagues refer to the events of 1873, and to the circumstances which were proved on oath by their own statements as to the bribing of the electors in the elections of 1872, and the receipt of $360,000 of Sir Hugh Allan's money for the direct purpose of corrupting the electorate of this country. Why, sir, Dr. Tupper coolly talks of this as a misrepresentation, a mere misunderstanding, and Sir John says he was defeated because of the circulation of foul slanders against his fair fame. So that it would seem that we are to be obliged to have another Royal Commission issued in order to show whether the evidence taken on oath by Sir John's own Government was incorrect or not. It seems it was all a mistake to suppose that Sir Hugh Allan contributed money for the purpose of corrupting the electors.

Sir Hugh's "Handsome Subscription."

True, Dr. Tupper says in one speech that Sir Hugh Allan gave a handsome subscription to the election fund, and Sir John received it in the same spirit. That is the way in which the affair is spoken of. I do not wish to say a single word disrespectful to Sir Hugh Allan; but I believe if there is a business man in Canada who more than any other understands his own business, that man is Sir Hugh Allan. He is a prosperous merchant, and has done a great dea of good to Canada in organizing his fine steamship line, and I wish him abundant success in that and his other enterprises. But I sincerely venture to hope that he will not mingle in politics—at least I hope that he and Sir John will not mingle in politics together. (Hear, hear, and laughter.) He is a Scotchman, a shrewd business man, possessing many of the characteristics attributed to his typical fellow-countrymen. You have all heard the old slander which Dr. Johnson first uttered against Scotchmen—that farthings were coined for the purpose of enabling them to contribute to charitable objects. (Laughter.) I don't believe that myself, (laughter), but I do believe that if there is a Scotchman in Canada who knows the value of the farthing better than another it is Sir Hugh Allan; and I don't think he was likely under the circumstances to give to Sir John and his colleagues a sum nearing $200,000, and to expend on his own hook—to use a somewhat vulgar phrase— $160,000 more, merely to secure the success of the Conservative party, as Dr. Tupper says. (Hear.) That gentleman calls it a handsome subscription, and asks: "Did not Mr. Cameron, Mr. Cook, and other Reformers spend large amounts on their own elections?" Perhaps they did; but they did not spend Sir Hugh Allan's money; they did not receive money from any public contractor who was to get a contract in

consequence of having contributed that money. We have Sir Hugh Allan's own sworn evidence, in which he states that he cared nothing for either of the political factions struggling for the mastery in this country, but he thought that Sir John Macdonald and Sir George Cartier were the men he should deal with, so he courted them assiduously and made a handsome subscription to their election fund. And now we are told that it was all a mistake, and that Sir John Macdonald was ejected from office because of foul slanders. I hear some one in the audience say that that story is worn out. I don't think it is. (Hear, hear.) It will never be worn out while Canada has a history; and it will be a black day for this country if it is ever worn out. (Hear, hear.)

The "Pacific Scandal" Referred to because the Tories justify it Now.

Not that I attach any importance to it as an electioneering element; not that I meant to refer to it at all of my own accord, had not these men, after committing a great public crime, attempted to justify it in the light of day at the present moment. If they will not let it rest, if that shocking political crime is to be resurrected by the same men who had perpetrated it, we shall certainly examine the skeleton and trace its history. (Hear, hear.) The hon. gentleman seems to think that because the present Administration have difficulties to contend with which would task the energies of any Government—difficulties which were left to us as legacies by our predecessors, and which it has been impossible fully to overcome—that it is fair and honest in him to use all the offensive weapons which have been used in order to cast discredit on the Administration of the country.

Difficulties in the Way of the Liberal Government.

When we assumed office we did so when a black cloud was hanging over the country, one which obscured the fair fame of Canada in sight of every civilized nation, and was watched alike by the people of England and the United States as belonging peculiarly to the people of Canada. It rested with the new Administration to dispel that cloud, and induce the people of the United States and Europe to believe that all the public men of Canada were not tainted with the same sordid and corrupt motives which led to the commission of that great crime. (Cheers.)

Sir John's Prosperity!

We had to contend with other difficulties at the time. The hon. gentleman claims for himself, in one of his recent speeches, that while he reigned peace, prosperity, and loyalty prevailed all over the Dominion. Why, sir, when we came into office we found a rebellion at Red River barely quelled; we were in pursuit of the men whom the unanimous voice of Canada had branded as murderers, and to whom Sir John Macdonald gave $4,000 of the public money to enable them to escape. Then he attacked Mr. Blake and myself because we offered a reward for their apprehension in the Legislature of Ontario, and said that it was our fault that Riel escaped, and he "only wished to God he could catch him." (Hear, hear, and laughter.) I don't wonder a very great deal that the people up in the North-west rose up in insurrection at the treatment they received. What did this "champion of civil and religious liberty" do on this particular occasion?

Origin of North-West Troubles.

He sent out Mr. William Macdougall with a ready-made Cabinet to take possession, as if they had been the conquerors of the land, without asking the people what their opinions were as to the mode or nature of the authority under which they were to be placed. The people, not very unnaturally, objected to being presented with this ready-made Cabinet; and though Mr. Macdougall got within sight of the land, he was never able to put his foot on it. The measures of the Government at that time, as Mr. Macdougall says in his famous pamphlet, went to show what they could do to punish those who had objected to their course. We were told the other day that Sir John Macdonald had "bent his energies to draw the North-west Territories."

Mr. Macdougall's Opinion of his Colleagues.

Mr. Macdougall was a member of Sir John's Government, and he ought to know. He says in his pamphlet:—

> I am disclosing no secret of the Council-room when I affirm that in September, 1868, except Mr. Tilley and myself, every member of the Government was either indifferent or hostile to the acquisition of the North-west Territory. When they discovered that a Ministerial crisis respecting the route of the Intercolonial Railway could only be avoided by an immediate agreement (and immediate action) to secure the transfer of these territories to the Dominion, they were ready to act. On the same day that Sir John A. Macdonald and Mr. Campbell surrendered the interests of Ontario to Quebec and Mr. Mitchell, and threw eight millions of dollars into the sea, I carried a proposition to send a deputation to England with full power to close negotiations for the purchase of one-third of the American continent as an offset.

We have Mr. Macdougall's evidence to show that these people were altogether opposed to this act; and we have also his own testimony to the fact that he was sent out there merely to enable the Government to get rid of him. He says: "As to the fact itself—in spite of your disloyal intrigues and the 'parish politics' of your allies in the East; in spite of Jesuitical plots in the North-west and Ministerial connivance and imbecility at the Capital;" and so on. I give you this evidence to show you that instead of the country being at rest, it was in a state of turmoil; that instead of these men being entitled to be classed as super-loyal, they imbrued the country not merely in financial difficulties, but in political difficulties of the gravest possible character; that instead of seeking to open up the North-west, they opposed it. When we came into office we found these great questions unsettled. We were obliged to maintain a regiment of soldiers in Manitoba to keep the people quiet. In the east there was a strong feeling of discontent. There were everywhere indications of a war of races and interests. And

we had not merely to deal with all those difficult questions, but we had to punish the guilty, and at the same time to do it in such a manner as would show to those who had taken the part of these men in the North-west that we were not doing it for the purpose of indicating a hostility to either their race or their creed.

Riel and his Crimes.

You will remember that the ill-usage sustained by the half-breeds of the North-west at the organization of the territory created a deep, strong feeling of sympathy among the French Catholics of Lower Canada. They believed that Riel was a victim, and to some extent that was true. But Riel and his friends had to be taught that they had not merely violated the law of the land in taking possession of the government of any portion of the country, but had violated it in unlawfully and feloniously taking the life of one of Her Majesty's subjects.

The Stain on Canada's Honour to be Effaced by the New Administration.

All these matters had to be dealt with by the incoming Government; and when we consider that along with these difficulties we had to contend with the effects of these men's great political crime, in its bearing on our financial position, immigration, and otherwise, to speak to the rest of the world and maintain the fair fame of Canada, I think I can claim that we pursued as moderate a course as it was possible to do, and that our success has been beyond our expectations. (Hear, hear.) We have never given any provocation to our opponents to pursue their present course.

The Pacific Scandal Debate in 1873.—Evidence of Moderation of Liberals.

I ask any man at this day to read my speech in which I indicted Sir John Macdonald and his Government, and say if anything could have been done more temperately and moderately. And as that was true of my own speech, so was it of the speeches of every member on the Opposition side of the House. We felt that a grave crisis in the history of our country had come, and that while taking action strongly as party men, it was also our duty, in view of the great interests at stake, that this should be done in as dignified and as becoming a manner as might be witnessed in a court of justice. (Hear, hear.) After we assumed office ourselves, I ask any one to examine the record of our speeches and our motions in Parliament, and our course generally in regard to matters which our predecessors left in such frightful confusion, and say whether it was possible to adopt a more moderate course than we adopted.

The Alleged "Midnight Attack," i. e. the Elections of 1874.

I am accused among other things of having made a midnight attack, as they call it, when I advised the Governor-General to dissolve Parliament in 1872. Does any man, be he friend or foe, imagine that I was such an idiot as to go on with the business of the country with a Parliament elected under the auspices of Sir Hugh Allan's money and its corrupting influence? It is true I had promises of support from a majority even of that Parliament; it is true we might have gone on for a short time; but I had a vivid recollection of the folly perpetrated by Sandfield Macdonald, in 1862, in accepting the very same counsel, which led to the defeat of his Government, when my honourable friend behind me fell with them. We appealed to the country in a proper and constitutional spirit. I addressed the electors, pointing out to them the course intended to be adopted by the Government.

The Election Law anticipated by having Elections all on One Day.

I told them that when the House met it was our intention to have an election law passed which would make it imperative on all Governments for the future to have all the elections held on one day. In order to be perfectly consistent—though we are bound by no law, and might have kept the elections of Sir John and others dangling for weeks, as they did mine in 1872—we ordered that all elections in the Dominion should be held on one day except in Cape Breton, Prince Edward Island, and Algoma, which could not be reached in time to allow it. Thus we took the earliest possible opportunity of putting our long-advocated opinions into practice, without resorting to the device that we would wait for a law. We made a law for ourselves, and bound ourselves by the principles we formerly advocated. The result of that policy, giving every man who was a candidate the utmost possible chance of attending to his constituency without having candidates from other constituencies to annoy him, was that we succeeded in obtaining a vast majority in the House.

The Liberal Majority in the House.

Talking of majorities—by the way, the hon. gentleman has stated in several meetings that our majority was 102, and that it was now reduced to 41. That is a pretty tall statement—(laughter)—but I suppose, like all the others, it is what some people at least would call a fact. The truth is that on no division did we ever have a majority exceeding 76, and in the last session our highest majority, in consequence of the sickness of a number of our friends, was only 52. It is also true that they gained altogether thirteen seats, while we gained four from them since the general election of 1874. Any one can form a judgment for himself of the accuracy of the hon. gentleman in that particular statement. But, sir, it is perhaps time that I should advert to some of the matters which affect public opinion more or less at the present time as to our policy.

Pacific Railway Policy.

And first with regard to the charges made concerning the Pacific Railway. I am accused by these gentlemen of having changed my policy in regard to that road since I assumed office in the Administration. They say that I formerly proposed to build it in a certain way. I am

content if we can build it in any way. We were left with a legacy in our hands in the shape of a promise made to British Columbia that they should build the Pacific Railway within ten years—that it should be commenced within two years and finished within ten—and we have been obliged to deal with the discontent in that Province consequent upon the impossibility of fulfilling the rash promises made by our predecessors in office. We have acted on the principle of obtaining any mode of progression by which we can at once satisfy the determination of the people of the rest of the Dominion that we should only proceed in accordance with their means of building the road—in other words, without resorting to additional taxation for the purpose—and at the same time satisfy the people of British Columbia that we have been doing everything in our power to accomplish this object.

Dr. Tupper Repudiates his own Railway Bargain with Columbia.

On two or three occasions Dr. Tupper has referred to our Pacific Railway policy. You will perhaps be astonished to hear that he was perfectly in harmony with the Administration in relation to the policy which the Government adopted. But last year, after the speech was delivered in which he made this agreeable announcement, we had an election in the County of Renfrew, and I found to my amazement that Dr. Tupper, who was a member of the Administration which bound themselves hand and foot by a solemn obligation to the people of British Columbia to build the road within ten years, had the face to take the ground that they never intended to carry out their promise of building it within that time. They deliberately made a solemn promise, with the deliberate determination that they would not keep it. (Hear, hear.) I said that was a kind of morality which I was quite unable to appreciate, and that I could not understand how any portion of the people of this country could be satisfied with it. But such, however, was the Doctor's own statement. Here is what he said regarding our policy previous to that occasion:

Dr. Tupper's Opinions in 1875.

"But, sir, the fact of the engagement which the First Minister said was entered into with British Columbia during the past season has set at rest and for ever any question as to whether we are in a position that would allow us to doubt and hesitate a single instant what course to pursue. I feel that the Ministry of the day are entitled to the support of this House, and especially of those gentlemen on the Opposition benches, in any measure which is required to carry out the pledge—perhaps a somewhat imprudent pledge—that was given by their predecessors in relation to this work; and I feel that they may look to this side of the House for their most energetic support of the measures they have taken—I believe wisely taken—for the redemption of that pledge."

It is, perhaps, sufficient to quote Dr. Tupper against himself; but I may just repeat what I have said before, that in relation to our prosecution of that work we have always taken the ground that anything we could do fairly and conscientiously with the taxation of the country we were bound to do to keep our word with British Columbia, whether it accorded exactly with previous views or not as to the mode of progression. On the other hand, I believe, as every sensible man who has studied the matter must believe, that the only mode in which that road can be built successfully is to throw a large population into our North-west Territories. We felt that it was incumbent on us to open up a highway to these vast prairie regions, which have so much to do not only with the prosperity of the heart of the continent, but of the whole Dominion.

Dr. Tupper on the Steel Rail Purchase.

It was to accomplish that end that the Government, believing that the price of steel rails in the fall of 1874 had reached the lowest point which they were likely to reach, purchased a sufficient quantity to enable them to secure that object. Now, sir, even Dr. Tupper did not disapprove of the transaction at that time. He says in another of his speeches delivered in 1875, and reported in *Hansard*:—

"Nor do I intend to detain the Committee with any comments * * * * respecting the purchase of two and a half millions worth of rails. I think the Committee will agree with me that this purchase was rather premature; that considering the enormous price which iron went up to not long ago, and considering also the fact that before these rails are required the price of iron may be reduced, the Government has not made so good a bargain as they would lead us to suppose, although I shall be willing to allow them every latitude in a case of this kind. But that is an accomplished fact, and I shall say no more about it. I have no doubt that the Government were acting with the utmost desire for the public good, and I am always ready to give them credit for good intentions when I can."

So it seems that we had the best intentions at the time, and that good, generous, and disinterested politician, Dr. Tupper, was willing to consider that we had done the best we could.

Tories Impatient at the Prolonged Life of Liberals.

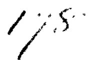
One session of Parliament passed away, and a second, and a third. Why, sir, the Conservatives supposed in 1873 that we were quite incapable of governing this country at all; they said we would not be in office three months. It was only Conservatives who were entitled to govern this country—only they who were capable of governing it.

Something must be Done.

But when they found that we were passing through session after session with almost undiminished strength and activity, they began to think that something must be done, as the time for a general election was approaching, and charges must be made if they could not be found; and that was the origin of the infamous charge about the steel rails, which, like most of the others, was insinuated rather than made.

Direct Charges Scarce.

In fact there never was a direct charge made except in one case, and that was that I had given information in advance to a relative of my own regarding the tariff on tubing.



The Way to Meet them.

I prosecuted on the instant the publisher of the newspaper who made that charge, and the result was the granting of a rule for the issue of a criminal information for libel. If the good and generous Dr. Tupper is anxious to make a direct and specific charge against me on that matter, or on others of the kind, let him just imitate the conduct of that publisher, and he shall promptly be afforded the very same opportunity of proving them.

Acting in the Public Interest only.

I then stated, as I do now, that the Government acted entirely in the public interest; that they had no purpose to serve either for themselves or for any one of their friends or neighbours. From the day we took office to the present hour there has been nothing of the kind upon which any one of our opponents can lay his finger; we challenge the fullest investigation, either before a Court of Justice or a Parliamentary Committee. (Loud cheers.) It was alleged that a brother of my own was a partner of one of the parties who tendered for a contract for some of these steel rails. Now, even if that had been true, there was no harm in that. (Hear, hear.) A brother or any other relative has just as good a right to tender for a public contract as any one else, provided the tender is fair, square and open. (Hear, hear.) In this case public notice was given, and a large number of tenders were received. The lowest was accepted in every instance; but I state as a matter of fact that it was a deliberate falsehood to assert that any brother, relation or connection of mine, had any interest or share in a contract, or an agency for a contract, or anything else of the kind. (Cheers.) I challenge them to take a Committee and have witnesses examined on oath to find whether or not I am speaking the truth. (Cheers.)

Tories Decline a Committee.

That, sir, is the cowardly manner in which they endeavour to stab the reputation of public men, while they dare not venture on an examination where witnesses could be placed on oath. And yet this story has been bruited abroad from door to door, and from one Conservative gathering to another—in fact, it seems that these people have come to the conclusion that if they are ever to reach office at all it is to be by pursuing throughout the country a course of systematic slander, by stabbing indiscriminately at the reputations of all who stand opposed to their progress. But this is by no means a new system of tactics with them.

Slander an Old Habit.

I recollect that in 1854 Sir John Macdonald one day said of Sir Francis Hincks that he was steeped to the lips in corruption, and the next day joined with him in a new political combination. They persistently abuse the character of men who have at least borne their share in the political struggles and the progress of the country equally with Sir John Macdonald and those who are engaged with him in this disgraceful work. I shall say no more on that head, although I have abundant testimony at hand at any time, if the matter should be brought up, to prove the absolute accuracy of my statements.

Progress in Getting Rails on the Line of Railway.

I merely say in relation to the prosecution of this great work, the Pacific Railway, that with all the industry we could exhibit, and every exertion that we could make to push that work, it has taken us all our time to have 15,000 tons of rails carried into the Province of Manitoba. We have fifty miles laid with rails, and we expect in the course of three months to have 130 miles more ready for the rails. We have used 11,000 or 12,000 tons of these rails in finishing the laying of steel rails on the Intercolonial, which was required in the public service. Dr. Tupper told us a few days ago that he was going to carry the war into Africa. Well, I shall anticipate him a little in that respect, and carry the war some little distance into his Africa.

The Tory and Liberal Rail-Buying Contrasted.

It may be interesting that we should give you a little information about the manner in which rails were bought by the late Administration. We have never bought a single ton except by public tender; we have never on any occasion allowed a single person connected with the Government to profit one dollar by any of these transactions. Now, in the last few months these gentlemen were in office they purchased without tender no less than 6,000 tons of steel rails through a brother-in-law of a Minister, who got two and one-half per cent. for his share. He presented false invoices, which revealed on examination that he had got not merely his percentage, but had charged nearly £1 a ton more than he had paid for them to the manufacturers. We commenced an action in order to recover the amount of difference between what he had paid and what he had charged the Government, and a judgment was recorded in our favour, and against this brother-in-law of the then Minister, for £4,000 sterling. Another suit is now pending, and there is no doubt that we shall recover a further sum of £5,000 on these transactions, which took place just before we went into office.

Comparing Prices of Rails.

They paid for rails when they were delivered on the Intercolonial an average of $85 53, the rails being of the very same quality as we bought a few months afterwards for $54 60 delivered in Montreal. In fact, we were receiving on the Intercolonial rails for which they had paid $85 at the very time that we were making a contract at $54 delivered in Montreal. And yet these are the men who presume to come forward in the light of day and accuse us of impropriety in connection with this matter. They say that rails are much cheaper now. No doubt they are somewhat cheaper, and no doubt, had we foreseen that they were to be cheaper, we would have bought 10,000 or 15,000 tons less—not any more than that, because it was absolutely necessary

that we should have the rails at that time, and the quantity I have named would fully represent the whole saving we could have effected. But if we were blameable at all, it was simply because we exercised a wise foresight in endeavouring to secure for the public the advantages of what we honestly believed to be the lowest prices we could obtain. If we had taken their plan, and employed a near connection of a member of the Government, and allowed him to pay what prices he pleased, and then, after allowing him two and a half per cent. commission, had given him a handsome advance on first cost, we should certainly have deserved the execration of the public. This was what was done by our accusers. (Hear, hear.) I don't believe there are five hundred Reformers in the country—I don't believe there is one—who would justify a transaction of that sort if perpetrated by those whom he had helped to place in power. (Hear, hear, and cheers.)

The Contract System Contrasted under Tory and Liberal Rule.

We have endeavoured to the utmost of our power to place the contract system on a sounder and better footing than ever it was before; and when I mention the simple fact that out of nineteen millions tendered for, some sixteen millions worth of contracts were awarded by us to the lowest tenderer, while the late Government awarded less than one-third to the lowest, you will be able to judge of the practical results of our efforts to reform the system of awarding contracts. (Cheers). I don't say that the late Government gave out contracts corruptly, because I do not know they did so; I merely give these facts, which, if they had just been reversed and tested by their suspicious minds, would have formed the groundwork for innumerable charges or insinuations of corruption. (Hear, hear.) I shall now refer for a few minutes to the taxation of the country.

Our Taxation.

I do not intend to trench on the province of my honourable friend the Finance Minister, who will take an opportunity of dealing with these subjects *in extenso*, and in such a way as to leave nothing to be desired in that direction. I have merely to present a few figures relating to one particular year of our term of office, and one year of theirs, in order to show who has been extravagant and who has not, and to meet by one simple statement from the Public Accounts the misrepresentations on this subject to which we are subjected. You have been told by Dr. Tupper and Sir John Macdonald that the present Government have increased the expenditure of the country to a much greater extent than they would have done, or than they did during their season of power.

Expenditure in 1867-8.

When I tell you that the entire annual expenditure when they took office was $13,687,928, and that in the last year in which they were in power, viz., 1873-4, it had reached $23,316,316 75—an increase of nearly ten millions in six years—you will see who suffer most by comparison. Now, in order to make a fair comparison, let us deduct from the total expenditure of 1873-4, viz., $23,316,316 75, the abnormal expenditures, or exceptional payments of that year. They are as follows :—Mounted Police, $199,599 14 ; North-west organization, $12,262 41 ; boundary survey in the North-west, $79,293 60 ; boundary survey in Ontario, $2,430 ; military stores, $144,906 ; Customs refunds former years, $69,330 02 ; interest on debt over 1872-3, $515,230 34 ; charges on management (increase), $65,022 46 : Total, $1,087,973 97. Deducting this aggregate from the total expenditures, we have $22,228,132 78 as the total normal expenditure for that year. Our expenditure for the last complete year of our term of office, 1875-76, was $24,488,372 11. Deducting the same exceptional items as before, viz., Mounted Police, $369,-$518 39; boundary snrvey, North-west, $134,105 18; settlers' relief, Manitoba, $83,405 80; and interest on debt over 1872-3, $1,191,697; in all $1,778,726 37, and we have a total normal expenditure on the same items of $22,709,645 74. In order to get the actual normal expenditure for that year we must also deduct the following items of abnormal expenditure :—Insurance inspection, $8,032 91 ; Indian grants over 1873-74, $130,166 69 ; sinking fund over 1873-74, $309,-033 ; weights and measures (new), $99,785 05 ; inspection of staples (new), $537 72 ; adulteration of food (new), $2,601 83 ; in all $650,127 20, leaving the actual normal expenditure on the basis of 1873-4, $22,059,518 54, as against $22,228,132 78 for those years. (Loud cheers.) I mention these figures just to show how absurd and scandalous is their charge that we have increased the burdens of the public.

Tories increase Expenditure Ten Millions from 1867 to 1873.

It seems it would be perfectly legitimate for these gentlemen in their term of office to increase the expenditure by nearly ten millions, while we are expected, with many vast interests on our hands not then in existence, such as the government of the North-west Territories, the maintaining of a powerful police force there to keep the country in order, and the purchase of the whole territory from the Indians, not to add a single dollar to the expenditure of the country. If we had allowed our expenditure to run up in the same ratio that they did during their term of office, it would have been $4,915,000 more than it is. But we managed by prudence and carefulness not merely to keep the amount at what was considered necessary in 1873-74, the last of their financial years, but we have actually managed to reduce it very largely in 1875-76, and it will be reduced very much further, as Mr. Cartwright will show you, in the current year now about expired.

A Specimen of Accuracy—Customs Officers, P. E. Island.

I now propose to show you what dependence is to be placed on any of the so-called statements of facts which Dr. Tupper gives forth to the country. That hon. gentleman gravely assured you that his Government had only appointed twenty-two Custom-house officers in Prince Edward Island, while the present Administration had appointed sixty-five. Now, what would

you say, what would any one say, when I tell you—and Dr. Tupper must have known it when he made the statement—that at the time we came into office there were seventy of these officers in Prince Edward Island, and I have the entire list here to show who they were. Yet this gentleman who states nothing but facts endeavoured to convey the impression that there were now over three times as many of these officers in existence as there were when we came into power. I may just say that the list of names which I hold in my hand is open to the inspection of any one who cares to verify what I have stated. We were told that the legislation of the late Government was most admirable in its character, and very complete and comprehensive in its scope.

Legislation.

We were told that when they took office they found the statute book a blank—no Acts on its pages except the Imperial Act—and that every Act of Parliament connected with the Dominion was introduced and carried by himself and his colleagues. Many of these Acts, he says, were factiously and strenuously opposed by the Opposition. He says further that we have been three years in office, and that we have repealed none of them, and that we are still running the machine on the Acts of the late Government; the legislation of the present Administration had either been copied from old legislation or consisted in the passage of Bills which the late Government had prepared. I venture to say that the late Government did not leave a single Act of any kind ready prepared, and that we have repealed—some in whole, others in part—not less than 50 or 60 measures which they placed on the statute book. I venture to say, too, that we have been the originators of many Acts now on the statute book which have had a connection with the organization of the Federal Administration and its perpetuation as a new system. The hon. gentleman must have known when he addressed these wonderful words to you that he introduced an election law no less than five times, or rather he promised five times in the Speech from the Throne to introduce it, and at last it was brought forth. And what was the effect of this wonderful law? Why, it provided for the appointment in every township of the Dominion of valuators or assessors, in addition to those appointed by the municipalities, and for a revising barrister in every county. These persons—the mere appointees of the Government of the day—had the authority to decide upon whether you and I had property upon which we would be allowed to vote. That Act was received on his own side of the House with such detestation on its first reading that he never dared to allow it to go to a second. It was swept out of sight. The first thing we did was to bring forward a full and complete election law, placing the elections of the country on a sound and satisfactory footing, both as regards effectiveness and cheapness in working. (Hear, hear.) If his election law had passed, the Government of the day, whether his or ours, would have absolutely had the franchise in the hands of their own creatures. We placed it where it should be—in the delegated authorities of the municipalities. The Councils are elected by the people; the Council elect the assessors; electors can appeal to the Council from the assessor's decision, and to the judge from the Council; so that they have, as they should have, the authority in their own hands. The appeal, which as it is now allowed to the county judge, would have had no existence under his Bill, but the paid emissaries of the Government of the day would have been traversing your townships, putting down the names of those who were to be allowed to vote and leaving off those who were not.

Sir John as a Legislator.

Yet he says he originated all the legislation in the Dominion! I venture the assertion—and I challenge contradiction by him or any one else—that Sir John Macdonald never did since the first day he was in Parliament introduce any measure for the organization, or even the completion, of some great reform. (Hear, hear, and cheers.) Among all the Bills he introduced into the Federal Parliament, you will look in vain to find anything else than re-enactments of the old Canadian Statutes regarding criminal law and other matters of that sort, with some amendments, chiefly from the English Statutes; while if you look over ours, you will find that we have given earnest and close attention to reforms that were required.

The Supreme Court Act.

He said at one meeting last year—he does not venture it this year, however—that this Government had merely taken his Supreme Court Act, made some few changes in it for the worse, and then passed it into law. It so happens that he never had a Supreme Court Bill of his own. It is true he took $500 without the authority of Parliament and paid it to Judge Strong to draw up a Bill, which he did, and no doubt it was a very excellent one in its way. But it is not our Supreme Court Bill; and even if we had taken it, we surely had as good a right to copy Judge Strong's Bill as Sir John had, seeing that the public paid for it. (Hear, hear, and laughter.) It is true that a Supreme Court Bill was foreshadowed in the Constitutional Act, and it became at length a burning necessity to have such a tribunal.

Why Sir John never Passed his Supreme Court Bill.

Sir John found that there was a very strong opposition among his Lower Canadian friends against the principle of the measure, and he neither had the moral courage to compel them to accept it, nor the industry to frame another. When we came into power we promised it at once; we passed it at once; it is now before the public, and it has proved to be most successful. If there are two measures upon which we may especially congratulate ourselves, they are the Election Act and the Supreme Court Act. (Hear, hear.) The latter has served its purpose so well that appeals to the English Privy Council have practically ceased, and our own judges are found dispensing the laws of the country in every class of cases.

The Size of the Statute Book.

Sir John told us last year in his own happy way that the statute-book of the present Administration was about the size of Scobie's Almanac—a book which all the old residents of the country remember very well. I have looked over the extent of his legislation, and I find that we far exceed him in volume, as we certainly do in material, in every year of his office ; it is a remarkable fact, but a fact nevertheless.

The Method of Legislating.

As I stated before, Sir John has been successful chiefly because, after opposing for half a lifetime a particular measure or a particular principle, whenever he finds that that principle is to be adopted, and will be adopted by the public whether he favours it or not, he turns in and works with the majority, and then cries, "Didn't we do that splendidly?" (Hear, hear, and laughter.) I hear my friend Mr. Ross say that that's an old trick of Sir John's. Yes, it is ; but it is getting rather stale. We all know to whom the country is indebted for the wise and beneficial legislation which happily prevails in all the Provinces of the Dominion at the present day.

No Remedial Measure owns a Tory Origin.

As I said before, I cannot recall a single measure of large scope which a Conservative Government originated during their twenty years' lease of power. Such measures were generally taken up by that party after they had been developed, and advocated, and struggled for, frequently in the face of bitter opposition, by the Liberal party of this country. (Cheers.) There is another point to which I desire briefly to refer, and then I shall make way for other speakers. It is especially necessary that I should advert to this question, as I think particular attention should be given to matters where anything approaching a personal charge may be even insinuated. It has been insinuated that I have used the public patronage of the Crown in one or two instances either to benefit strong political supporters or friends of those who are my supporters. I shall deal with only one of these here, and I will show you how much, or rather how little, truth there is in some of the statements made and the speeches delivered throughout the country.

Mr. A. B. Foster and the Georgian Bay Railway.

You are aware that amongst those cognizant of the great Pacific Scandal iniquity, Mr. A. B. Foster, a Senator, was supposed to know a great deal about it. It was known that he condemned the transaction, and that he was a railway contractor, engaged extensively in this branch of business, and it is now alleged that the Government gave him the contract for the Georgian Bay branch as a particular favour, to enable him to recover his shattered fortunes. It is also alleged that we afterwards took the contract off his hands, and paid him back improperly the money he had deposited as security, and that in doing so we did an unprecedented act. It is also alleged that we agreed to lend him a certain quantity of rails, and that these have not been paid for or returned. Now, with regard to the first allegation, I may say that the contract for the Georgian Bay branch of the Pacific Railway was duly advertised in the public press.

Lowest Tenderer Received Contract.

Mr. Munson was the lowest tenderer ; but he assigned his contract to Mr. Foster, whom we accepted as the assignee of the lowest tenderer.

Canada Central Subsidy.

At the same time we granted a subsidy of $12,000 per mile for 120 miles of the Canada Central Railway, extending from the vicinity of Douglas towards Georgian Bay, the eastern terminus of the section for which Mr. Munson had tendered. It was evident that the surveys of the Canada Central Company could be made more cheaply and better if the same party had the contract for both roads, as a connection had to be made. The Canada Central Company gave their contract to Mr. Foster, who, as I have stated, had the contract from us for the 85 miles which we were to build. The country proved to be much more difficult in way of railway construction than Mr. Foster had anticipated at the time he took the contract ; and he asked for a revision of the terms of the contract, which the Government were unwilling to grant.

Georgian Bay Contract Annulled.

But when he found that he was not likely to proceed with the work as expeditiously as we could desire, we determined to cancel the contract and pay back the money deposited, paying him such an amount for the work he had performed as might be certified by the engineer as earned in the prosecution of the surveys as far as they could be made available by the Government in finishing the surveys. This is what is characterized as a gross wrong. What is there wrong about it? The contract was fairly awarded. It was fairly annulled, and we undoubtedly had the power to annul it ; and for that matter, our predecessors annulled many a contract. We just as certainly had the power to pay back the money and release the security, and we did so believing that it was in the public interest to do it.

Sir Hugh Allan's Pacific Contract Annulled and the Million Deposit Paid Back.

The previous Government did the very same thing, not in paying back $85,000 as we did, but over one million dollars to Sir Hugh Allan when they annulled his contract. If it was wrong for us to annul one contract and pay back the security, how much greater a wrong were they guilty of when they repaid back about twelve times as much as we did ! We believed we were doing it in the public interest ; it has been frequently done in the past, and no doubt will have to be done by every Government. There is nothing in the matter bearing the faintest shade of corruption.

Amount Paid for Surveys.

They say that we paid him $40,000 or $50,000 for surveys. We paid exactly what Mr. Sandford Fleming certified in his formal statement that they were worth.

Mr. Shanly's Opinion.

And Mr. Shanly, a well-known engineer, and strong Conservative, says they were worth $8,000 or $10,000 more. This is all before the public, and yet it has been made the foundation of gross and repeated misrepresentation.

Lending Rails.

Then we come to the lending of 100 tons of steel rails, and the taking by the Canada Central Company of 127 tons additional. These rails were owned by the Company, Government having a lien on them for advances. The entire value of the rails was $8,172, and they were covered by a security of $30,000 in railway bonds. These rails were wanted to finish the road to Pembroke last fall, when it was of the utmost importance to the trade of the country that the road should be completed to that point. The Government did simply what any individual member of the community might do—that is, lend anything for a time to a neighbour in order to complete a work of that kind which he had in hand. I will, however, in this particular, again cite Dr. Tupper against himself.

Lending the Gas Company of Ottawa $10,000.

In 1872 that gentleman and his associates lent, not $8,000 worth of rails which involved no outlay, but they lent to the Ottawa Gas Company $10,000 in cash, without the authority of Parliament, without any authority, good, bad, or indifferent, and that cash has not all been paid back yet. It was very wicked in us to lend 100 tons of iron rails which were not being used, though we had only a lien upon them, but it was perfectly right and proper for him to dip his hands in the public purse and take out $10,000 without any authority whatever. (Hear, hear.)

Policy of Building the Georgian Bay Branch.

As to the general policy of building the Georgian Bay branch, I shall endeavour to deal with that exhaustively at another meeting, as I shall with our policy in regard to the whole Pacific Railway.

Cost of Pacific Railway under Contract.

I shall be able to show that notwithstanding the difficulties we had to contend with west of Lake Superior, which were not met with in the construction of the Intercolonial, this Government, by its wise policy, by its proper system of letting contracts, and by its judicious system of preparing beforehand by elaborate surveys and examination of the country, has succeeded in building and letting contracts for the road west of Lake Superior for 220 miles, for less than one-half per mile of what the Intercolonial cost. (Cheers.) I think I shall be able to establish that, so far as the administration of the great public works of the country are concerned, we have succeeded beyond our own expectations in realizing that economy which every Government professes to observe and desires to secure, but which very few can reach unless by devoting their whole energies to the task, and introducing essential reforms in the management of the public works. I feel, however, that it would not be right to take up more of your time at present, especially as I purpose before long dealing very fully with everything relating to the charges brought forward by the leaders of the Opposition at recent meetings. If I am not able to address the people of Kingston fully on all these topics face to face, I shall at least have the pleasure of addressing you through the public newspapers of the country. In closing, allow me again to return my earnest and sincere thanks to the ladies and gentlemen who have come out to-day to welcome my colleague and myself, and the distinguished statesman from Toronto and his colleague in the Government of Ontario. For myself and my colleagues let me assure you that nothing will give us more sincere gratification than to know that we can still command the sympathies, the support, and the moral countenance of all those men who assisted in 1874 in placing us so successfully where we now stand. (Prolonged cheers.) There is no object of a personal kind in any man occupying the position I do, if he performs as he ought the duties of that position. (Cheers.) To be sure it is an object of a personal kind in this respect, that it is a matter of great pride to be able as a Minister, and particularly as a First Minister, to administer the affairs of a great country like this successfully, and to the satisfaction of those who called him to his high position. (Cheers.) It is a matter in which any one may take a laudable pride, and I can assure you that no one could feel that pride more than I do at the present moment. I should regret to the last days of my life if I permitted my hand to be engaged in anything that would cast a shadow or passing cloud—to use Dr. Tupper's words—over my political or personal character while I have anything to do with public life. (Loud cheers.)

Opposition Tactics.

I know it is the tactics of those by whom we are opposed—I know it was their tactics twenty years ago, and thirty-five years ago—to drive their opponents out of public life by the grossest slanders, in order that they may have the field left clear for themselves. I say to them, "Gentlemen, you can't do it. (Hear, hear, and cheers.) Your slanders shall fall harmlessly against us, your tactics shall prove a failure, because you have not the people with you." Sir John Macdonald never did have the people of Ontario with him; he never commanded a majority of the people of this Province, and he never will. (Cheers.) He represented a retrograde policy from first to last.

The Origination of Confederation.

He takes credit for being the originator of Confederation. Why, on the 14th of April, 1864, he recorded his vote to the effect that there were no constitutional changes needed. Dr. Tupper now tells us that at that time the people of Canada were standing gazing in each other's faces, ready to leap at each other's throats. A terrible state of affairs truly! I was in public life at the time, and I never knew of this horrible condition of things until I heard of it from him. I do know that on the 14th of April, 1864, Sir John Macdonald voted that there were no constitutional changes needed, and that on the very next day his Government was defeated, and then he saw changes were needed. (Cheers and laughter.) Why did he so suddenly discover the necessity of constitutional changes?

Hon. George Brown and the Liberals in 1864.

It was because Mr. George Brown, the leader of the Liberal party, said, "Gentlemen, you may keep your places in the Government if you like. We have a majority in Parliament; we have defeated you; but we are willing to let you remain in your places if you only give us the constitutional changes that you said yesterday were not needed." Sir John and his friends saw the necessity for constitutional changes with astonishing rapidity—(laughter)—in fact, they would have given an unlimited number of changes if they were only allowed to remain in power. (Hear, hear, and laughter.) I have known him and his followers to do worse things than that.

Old Tricks of the Present Opposition.

I have been long enough in public life in Canada to know that when Lord Elgin, one of the noblest and best of our Governors—(cheers)—took a manly course in sustaining his constitutional advisers, these gentlemen hoisted the black flag at Brockville, their mob in London pelted him with rotten eggs, and in Montreal they burned the Parliament Buildings. We might have known in 1864, when we defeated them, that something of the same sort would be done again, and Mr. George Brown told them, "Don't be afraid; you will get your places. We want our principles carried out in the Government, and if you are willing to be our tools in that, as you have been in everything else in the legislation of the country, we would vote to sustain you in place and power." They did it; and Sir John Macdonald, in violation of his declaration the day before that no constitutional changes were needed, determined to carry out those changes known as Confederation. Now he says he did it all. (Hear, hear, and laughter.) He must surely suppose that people are losing their memories; that the whole history of the past was blotted out on the 1st of July, 1867; that on that day not only was Confederation inaugurated, but everything else swept away which could bring to the memories of any one the events that transpired a few years before. Such are the men who constitute Her Majesty's Loyal Opposition; such are they who will constitute Her Majesty's Loyal Opposition after the next general election in this country. (Loud and prolonged cheers.)

THE DEMONSTRATION AT FOREST.

FRIDAY, JUNE 29th.

Speeches by Hon. Messrs. Huntington and Mackenzie.

The Demonstration to the Premier by his own constituents of the County of Lambton was held in the village of Forest. The attendance numbered fully ten thousand, every section of the county contributing its quota, and many prominent Reformers were present from neighbouring Ridings. Upon their arrival from Sarnia, where they had been warmly welcomed the night before, the Premier and party were met at the station by a large concourse of friends, and an immense procession of carriages and pedestrians followed them to the pic-nic grounds. The speaking, which commenced immediately after dinner, was interfered with by a very heavy shower of rain, which continued to fall at intervals during the whole afternoon. Nevertheless, a large proportion of the vast assemblage demonstrated their ardour in the Reform cause and their high appreciation of the speeches delivered by waiting until the close. The chair was occupied by Mr. Wm. McGregor, President West Lambton Reform Association, and besides the Premier and Postmaster-General, the Hon. T. B. Pardee, M.P.P., G. W. Ross, M.P., and T. Oliver, M.P., spoke briefly, the Hon. A. S. Hardy being prevented from doing so by indisposition.

THE CHAIRMAN briefly addressed the meeting, and then called upon Mr. Campbell, Secretary of the East Lambton Reform Association, to read the following Address, which may be taken as a sample of the many Addresses of welcome and confidence presented to the Premier and his colleagues at subsequent Demonstrations :—

To the Honourable Alexander Mackenzie, M.P., &c.:

HONOURED SIR,—We the Reformers of Lambton, with a high appreciation of your sterling worth and uprightness as a man, and your ability as Premier of this Dominion, cordially welcome you here to-day.

We have long, with pride and admiration, marked your political career; and having had the honour of first calling you into public life, with heartfelt joy we congratulate you on the name, fame, and position you have achieved for yourself, and the lustre you have reflected on the constituency which you represent.

Recreant, indeed, would the Reformers of Lambton be to every nobler impulse of the soul if, after faithful service done, with a devotion to principle, unwearied toil, and integrity and purity of purpose unsurpassed by any public man in Canada, they would not now rally round you as they do here to-day, to do you honour.

Then, on behalf of those assembled here, not from blind party zeal, but in behalf of the enlightened intelligence of men who read, think, and judge, we tender you the cordial sympathy, the unflinching support, the confidence, and the gratitude of the Reformers of Lambton.

May a kind Providence long preserve you in health of body and vigour of mind, to guide the affairs of State, as you have hitherto done, with wisdom, zeal, and efficiency; and, invincible in the consciousness of duty performed aright, the shafts of malice and detraction will fall harmless at your feet, and your name, enrolled amidst the good and the true, be handed down untarnished to future generations.

It gratifies us to believe that your colleagues in the Government are equally deserving with yourself of the confidence and esteem of the people, and we cordially welcome to-day those of them who have kindly accompanied you.

With the best wishes for the happiness of yourself and your worthy partner in life, again we cordially welcome you.

Signed on behalf of the Reformers of East Lambton,

A. McGREGOR, President.
D. J. CAMPBELL, Secretary.

Forest, June 29, 1877.

Mr. A. McEVOY next read an Address similar to the above on behalf of the West Middlesex Reform Association, to both of which Mr. Mackenzie responded briefly.

SPEECH OF THE POSTMASTER-GENERAL.

Hon. Mr. HUNTINGTON was introduced and was received with loud cheers. After some introductory observations, he said that he had been represented by some people as a very selfish politician, and whether that was true or not, he certainly felt his selfishness rising a little to-day when he saw that the electors of Lambton appeared to consider that they had a monopoly in their appreciation of the Prime Minister of Canada. It was true that they had brought him into public life, and had given him an opportunity on the floor of Parliament to show what were his marvellous powers of speech and intellect. But he (Mr. Huntington), and others who had entered Parliament with Mr. Mackenzie, and were, like himself, young men, had chosen him as their leader—had placed him in such a position that when the Reform party went to victory he must be the champion of their rights, and have an opportunity of exercising those abilities

which to-day made the people of Lambton so proud of him, that honesty which made them honour him, and those sterling qualities which went to make up the head and heart of a leading public man, and had given him such a hold upon the affections of the Canadian people generally. (Loud cheers.) He went on to say, regarding the unwillingness of the Conservative leaders to hear anything of the charges established against them last session, that if, as they averred, there was nothing wrong in these transactions, then they need scarcely be so sensitive as to anything that was said regarding them; and if there was wrong-doing, the guilty parties were scarcely those who should presume to tender advice as to how much or how little should be said of it. In allusion to a remark of the Chairman, he said that it was not the fault of the Reform party that the Pacific Scandal was alluded to; for it was their duty, so long as the guilty parties were unrepentant, to keep before the minds of the people the facts which had been proven in regard to it, and the issues upon which the elections of 1874 had been fought and won. In regard to his own share in bringing the transaction to light—to which the Chairman had alluded—he only claimed credit for having done his duty in telling what he knew, and that that was his duty so distinguished a statesman as Lord Dufferin himself had admitted in his earlier despatches regarding the transaction. But later on, when the evidence was brought forward, he deserved no more credit than the humblest member of the party, as he had been aided in many ways by friends of his own party as well as by many Conservatives, who felt it to be their duty to bring the wrong to light.

The Future Conservative Leadership.

He then referred to the question of the future leadership of the Conservative party, and said that they had had some curious exhibitions not very long ago at one of the Conservative pic-nics, when Sir John Macdonald had indicated that Dr. Tupper was to be the leader of their party if anything should happen to him (Sir John). The doctor immediately jumped to his feet, and even exceeded himself in his eulogies of the great Chieftain who had just bequeathed to him the leadership of the party. Mr. Wm. Macdougall had taken the opportunity of saying that, while his heart was still in the right place, he should have great pleasure in following Dr. Tupper as a leader. The people of Quebec had been inclined to believe that a gentleman from their Province was to be the possible leader of the Conservative party, as Sir John, at a dinner in Ottawa, shortly after a certain election contest had been decided, in which a good deal of interest was taken, had spoken of the successful candidate as the great successor of Sir George Cartier, if anything should happen to place the Conservatives again in power. They had thought in Quebec that after the Pacific Scandal the whole Conservative party would not have power enough to resuscitate Mr. Langevin until he should have repented, and, politically speaking, been born again. They had therefore been delighted when they saw that Dr. Tupper had been duly appointed Sir John's successor. It was an ill wind that blew nobody good, and if Nova Scotia was to furnish the leader, they in Quebec wished her God speed, especially as they would thus escape a greater evil. (Hear, hear.) They knew the Doctor's peculiar manner of dealing with facts; his high appreciation of the intelligence of his audiences; still, if he was just the kind of a Tory out of whom to make a worthy successor to Sir John Macdonald—if that was the kind of a man the Conservatives of Ontario desired to see at the head of their party, they in Quebec were willing to accept the situation, devoutly thankful that a worse thing had not befallen them. (Laughter.) There was something very strange to Reformers in the way in which their Conservative friends set about choosing a leader. Reformers would consider it necessary in such a case to consult the rank and file of the party to some extent before taking so important a step, but Sir John Macdonald, Dr. Tupper, and Mr. William Macdougall settled the whole matter for their party.

Mr. Macdougall and the Purchase of Political Support.

He then referred to the controversy in the newspapers as to Mr. Macdougall's right to a seat in the Local Legislature, and said that in one of his letters Mr. Macdougall had related part of a conversation which had taken place regarding Mr. Macdougall's possible entrance into public life between him and a member of the Cabinet shortly after Mr. Macdougall's return from Europe. Whatever reasons might have existed against publishing in the newspapers a private conversation, Mr. Macdougall could not very well find fault, as he had been the first to make the conversation public. He (Mr. Huntington) happened to know what recollection the member of the Federal Government referred to had concerning that conversation, and that it was in some respects quite different from the account given by Mr. Macdougall; though that gentleman's story of it had a foundation in fact, it was considerably garnished. Mr. Macdougall had stated on that occasion that he did not quite see his way to act with either political party, yet that in view of the fact that he was pressed by his friends to enter political life, he might feel disposed to go on one side or the other according as the principles they advocated suited him, but that he never would support a party led by Sir John Macdonald. (Hear, hear.) He (Mr. Huntington) was not there to say whether or not Mr. Macdougall was right after that declaration in enrolling himself as a follower of Sir John Macdonald, but it was quite certain that he was not always so ready to follow that gentleman's leadership as he now appeared to be. Dr. Tupper at one of his meetings had stated that certain contracts had been given to Mr. Foster on account of political favour, and that he had gone over because his financial position was shaky. He (Mr. Huntington) would like to ask that gentleman if he was prepared to apply that rule to the Conservative party, and say that every man who crossed the floor to that party did so because his financial position was shaky! (Hear, hear.) Was he prepared to apply it to the case of Mr. Wm. Macdougall, or to that of Joseph Howe, or to the multitudes from Nova Scotia who, according to his own prediction, will be found supporting him at next general election? He (Mr.

Huntington) was not charging that these were cases of sale and purchase, but he simply wished to show that Dr. Tupper's rule would work both ways. (Hear, hear.)

Conservative Style of Warfare.

He wished to refer briefly to the style of attack which had been the rule in the Conservative pic-nics held throughout the country. It had been a war of acrimony and bitter slander, and had been carried on in the country among the people when there was none to reply, instead of face to face with the adversary in the High Court of Parliament, which was charged with the solemn duty of purging the House of the unworthy men who were its members if these charges were true. The great desire of Sir John was that he should live and fight until the people reversed the verdict which they pronounced in 1874; and it was to pave the way for that reversal that he and his friends were labouring so assiduously in the cause of detraction and vilification. (Hear, hear.) They wished to get the people to go so far at least as to say, "Well, we don't care very much; of course Sir John did a bad thing when he sold a railway charter for money to buy up electors; but, then, other people are just as bad." They were making a deliberate systematic attempt so to deprave the political morality of the people that they would come to regard the Pacific Scandal as comparatively a slight offence; and this was being done by uttering through their leaders and their newspapers the most disgraceful slanders upon the characters of their political opponents. If one-half the slanders which had been set going by these people against members of the Government could be fastened upon them, there was not a man in the Administration but should be in the Penitentiary. There was no parallel for such a warfare in the statesmanship of civilized countries, and it was a disgrace to speak of the man who travelled through the country to debauch the political and social morality of the people by declarations which would make men feel that there was no standard of virtue or principle—nothing to live for but personal advantage—no distinction in public life between what was right and what was wrong. It was a degradation to our country to call such a man a heaven-born statesman. (Hear, hear.) These men, and those who disseminated their views through their journals, did not seek to show that Sir John Macdonald was unjustly punished, that the verdict which the people pronounced upon his deeds was an undeserved one, but to get the people of this country to say—"Well, he made a mistake, but then we have Mackenzie, who was an honest man before, mixed up in the steel rails affair. Charles Mackenzie got the tubing; Blake sold the commutations; Laflamme robbed the Lachine Canal; Huntington robbed a copper mine; and, after all, why should we turn out poor old Sir John in his last days, and fill his place with a band of robbers?" The man who would go about the country retailing these stories, or allowing the newspapers that spoke in his name to retail them as true, was a man whose heart was blacker than he had ever been depicted in the Pacific Scandal—a man of whom one-half the truth had not been told. Not content with blasting the names of his adversaries by telling these tales which he knew to be untrue, which he did not himself say were true, he got his faithful henchman to aid him in dragging down the morality of the country to a level at which all distinction between political virtue and political vice should be wiped out. If such a thing as a standard of political morality be admitted at all, then to hold up our public men and say that Sir John is as good as any of them would be to pronounce the severest censure that could be passed upon them.

Northern Railway and Secret Service Disclosures.

He then referred briefly to the Northern Railway and Secret Service disclosures, and said that the Conservative leaders averred that the members of the Government were thieves and robbers, but they did not prove it; while the Reformers had charged them with public robbery, and had proved their charges. Referring to a remark made by a man in the audience with reference to the charges made against himself by the Conservatives, Mr. Huntington said that when dealing with political questions he never defended himself from attacks relating to his own private affairs. However, he might say, without being accused of blowing his own trumpet, that he had been connected with large interests in his own Province, and had had heavy transactions with bankers and financial men, and up to 1873 no word of reproach against his personal honour had ever been breathed. (Loud cheers.) The first insinuation had been made in Parliament by Sir John himself, and he (Mr. Huntington) had had no hesitation in asserting that up to that time any one who had made the accusation against him to any of the bankers or financial men with whom he had been dealing, and had represented him as having dealt dishonestly or unfairly with them, would have been spat upon by those to whom he made the accusation. He was able and willing to wait events, and to leave it to the people of this country to say whether these charges were true or were parts of a policy of slander, and the effects of events which took place in 1873. Referring to Sir John Macdonald's appeal to his friends in the House of Commons for protection against the effects of the Northern Railway disclosures, he said that the country would sympathize with his desire to be protected so far as they could do so. He then contrasted the general sympathy manifested by the Reform party for the Conservative leader during his illness with the brutal attacks made upon Mr. Blake by the Conservative party when he was dangerously ill. He concluded by remarking that while they all had duties to their party, the greatest and highest duty of any citizen, in the interest of civil rights, was to be Canadian, faithful to the Constitution of their country, stern in their desire for honesty in the public service, living for their country, and striving to lay its foundations broad and deep. Let them all for the moment lay aside their differences and utter a sincere desire that they might be guided in the direction of their political duties, and then whatever mistakes might be made by a Government would be overshadowed in the end by a firm, patriotic, and Christian devotion to the duties of citizenship, as under the British Constitution they should be. (Loud cheers.)

THE PREMIER'S SPEECH.

Hon. Mr. MACKENZIE, on rising to address the audience, was received with repeated rounds of cheering. He said:—

Mr. Chairman, Ladies and Gentlemen of Lambton, I regret exceedingly that the day has been to a great extent spoiled by the inclemency of the weather; but I am glad to know that there are many thousands yet left to hear what we have to say regarding the progress of the country and the present state of political events. I am glad to be able to have so many of my colleagues in public life in both Houses of Parliament present here to-day to bear witness to this magnificent demonstration, which the people of Lambton have made, not in my honour, not in honour of the Administration of which I am a member, but in honour of the great principles which have characterized the Liberal party, the banner of which has been borne for many years higher by the County of Lambton than by almost any other county in the Dominion. I know that I address one of the most intelligent audiences that can be convened in Western Canada, and I don't at all deny to my opponents, a small sprinkling of whom I see in the meeting, their share in that intelligence which pervades this community. I am only surprised that so many of my Lambton opponents could be found as have been found within the last few months to perambulate this county in humble or grotesque imitation of the great political show led by their party leaders, interspersing with all their speeches the grossest fabrications—to call them by a very mild term, though there is a short Saxon word of four letters that would perhaps more truly characterize them. But, sir, I never dreamt that the people of this county, who read daily in the Provincial newspapers, who are intelligent from principle, from conviction, and from education, would be led astray for an instant by such manifest misrepresentations of the character and policy of the Administration I have the honour to lead.

Intention of Meeting all Accusations.

I intend at these meetings, of which this is the second, to deal with a series of misrepresentations uttered by the Conservative leaders in their respective addresses throughout the country; and I have only to say in regard to these misrepresentations that I shall have no difficulty in dispelling them in the minds and estimations of all those who, Conservatives or Reformers, give a fair interpretation to the acts of public men who seek faithfully to observe all the phases as they present themselves in the political panorama, with a view to give to every one of them his due, and with a view, where censure is just and well deserved, not to spare that censure because the individuals happen for a moment to occupy the first positions in the country. I feel it is exceedingly difficult to overtake the extraordinary current of slander and misrepresentation which has been evolved.

Weights and Measures Act Prepared and Passed by Late Government.

might begin with the very simple matter, say, of the Weights and Measures Act of 1872 and 1873. You are aware that a certain journal published in this county, distinguished for its candour and truthfulness, intimated to the public some weeks ago that I was the author, or the present Administration was the author, of the Weights and Measures Act which recently came into operation; and although the *Observer* of Sarnia promptly corrected the mistake, and showed that it was a measure introduced and carried by the late Administration, still that journal to this hour has never corrected that gross misrepresentation—we will call it by that name for gentleness sake. Sir, even Dr. Tupper himself, even the great stretcher himself—(laughter)—was willing to assume the paternity of that measure in his speech last session in the House. You will observe that up to Confederation, up to the time of the passing of that Act, we had our old Provincial Acts in operation, and they would have continued in operation, and the County Councils would have continued the appointment of inspectors, if they so desired. But after Dr. Tupper and the late Government repealed those Provincial Acts, we had no power whatever to restore them. The mere repeal of the existing Act would have the effect of leaving the country without any standard of measure or value.

Amendment of Act.

We were therefore compelled to bring that measure into operation, but we took good care during last session, after ascertaining that the working of the measure was unsatisfactory, to have it so modified as to make it less oppressive on the people, both as regards the administration of the law and as regards the fees to be paid under it. I say only these few words with regard to a measure which it would take me a long time to discuss if I were to enter into the details of the metric and decimal systems supposed to be embodied in our laws. [At this stage of Mr. Mackenzie's speech the rain began to fall so heavily that he was obliged to stop speaking for a short time. Upon resuming he said:—] I presume the majority of you, unlike myself, believe in sprinkling instead of dipping—and you are certainly getting it. (Laughter.)

The Public Works Department.

I was about to proceed to an investigation of some other serious charges made against the Administration, especially those relating to my own department, as you are aware that besides being leader of the Government I have assumed ever since the Government was formed the duty of administering the Public Works Department, which may be called the great spending department of the country. There can be no question that in the administration of that office there are peculiar difficulties to be encountered, and there is room in the administration of that office for a very great deal of public wrong—of public connivance with contractors and others

who might influence to some extent local political matters, and also, in a parliamentary sense, influence many members of Parliament. I do not at all object to my opponents exercising their right in keeping a sharp surveillance over all transactions, and criticising severely the operations of the Minister of Public Works, be he who he may.

The Greatest Care taken in Letting Contracts that Political Opinion shall have no Influence.

I assert, in the first place, that since the inauguration of the present Government the most scrupulous care has been taken to have the contract system so administered that it would be difficult, if not impossible, for public contractors who are friends of the Government to obtain any advantage, or that public contractors who are opponents of the Government should suffer any wrong in the administration of that Department; and I might state in a very few words what the result of my system has been. [Here another lengthy interruption took place on account of the rain. Upon resuming Mr. Mackenzie said :—]

A Right and Wrong Criticism.

I was remarking at the time the interruption took place, that I blame no political opponent for any fair, impartial criticism of my public acts. I know well that it is not only proper, but exceedingly desirable, that every public man should have his conduct fairly reviewed, because, apart altogether from deliberate wrong-doing, there may be a wrong policy; a man may be conscientious and earnest in his desire to serve the public, and yet may have taken the wrong way of doing it; and nothing but a just and impartial criticism may rectify the evil that a misguided though honest Minister may inflict on the public. I do object, however, to that kind of criticism that is directed solely, as in the case of my opponents, towards myself, to the imputation of evil motives, and the misconstruction of every public act. I object altogether, in other words, to a policy of slander which respects not private character, respects not well-known statements of facts, or denials of gross allegations, nor even the names of the female members of one's family—respects nothing, in fact, that is sacred to truth and honour and domestic privacy, in order that it may make some political capital for their party. I believe in government by party. I have long been allied with the leaders of the Reform party in Parliament and out of it, and in process of time I became leader of that party myself; but I would sooner step out of political life to-morrow than have to resort to that species of slander and misrepresentation which has become the entire stock-in-trade of the present Opposition. (Loud cheers.) I shall show you in a few minutes how grossly, in a number of cases affecting matters in my own department, those misrepresentations have been used, how improper their own conduct in public life has been, and how utterly inconsistent with their own record are the allegations which they make against me. At Kingston, two days ago, I dealt with some matters to which I will not refer here further than to say that I pointed out that these very gentlemen did the same things themselves in the ordinary administration of affairs for which they were blaming me. I instanced the loan of one hundred tons of rails to the Canada Central Railway to finish the road to Pembroke, it being of prime necessity to the great lumbering interest that that road should be finished to Pembroke for getting supplies up last fall. We took as security $30,000 worth of railway bonds, which I have no doubt are of much more value than the rails loaned, which (including the 127 additional tons taken) were worth $8,000 altogether. I pointed out that not only was this a perfectly proper and legitimate transaction, but a far less heinous one—assuming it to be a wrong one at all—than these gentlemen's own transactions when they lent to a gas company in one of our cities the sum of $10,000 in cash without any authority from Parliament whatever. I don't say they are to be condemned for that particular loan; perhaps there were circumstances which might give it that complexion; but I will not enter into them here. I merely point out how manifestly unfair it is for them to impute motives to me for such an act, when they themselves did something far worse in precisely the same way. They may have been right; I know I was, and that I can justify myself in face of the public. Sir John Macdonald made a very remarkable statement in one of his speeches in regard to the letting of contracts. He said, "Let any Conservative try to get a contract, let any Conservative apply for office, and they would not get it." I can only say as to applications for office, I am afraid that I have had more from Tories than from Reformers—(cheers and laughter)—and some of them from the same gentlemen who have been spouting at these Tory meetings. Sir John says :—

Sir John Macdonald on Letting Contracts.

"The latter he did not object to, because he did not appoint his political opponents to office, and he did not expect Mr. Mackenzie to do so either. But when there was public money to be expended or public works to be erected, it was the duty of the Government to see that the most efficient contractor should be got, and at the lowest price. They would see, if they looked at the records of the contracts that had been given out by the present Government for the last three years, that the principle, which was not only a principle of honour and economy, but a principle of the law of our land, that the contract should be given to the lowest tenderer who gave the proper security, had been broken systematically and continuously."

I wish you to observe particularly the strong and emphatic, the almost hyperbolical language in which the hon. gentleman indulges. He goes on to say :

"It was a principle of the present Government to make the first question concerning a contractor, "How did he vote at last election?" A man might offer to build miles of railway or portions of a canal at half price, and if by some hocus pocus he was found to be a Conservative, although his was the lowest tender, Mr. Mackenzie the head of the Government would tell Mr. Mackenzie the Minister of Public Works it must not be given to that man, but to another who was true to the cause."

There is a bill of indictment for you. It is one, I venture to say, which would consign myself and colleagues to political perdition, but I shall not only deny it, but prove the grossness of the calumny.

Mr. Macdonald Challenged in Parliament to Prove his Statement.

Sir, I challenged him last year to produce his evidence before a Committee of the House of Commons; I challenged him the first day of the session to proceed with his investigation and make his stump speeches in my presence in Parliament, and I twice offered him a Committee of his own choosing—on one occasion I said I was willing that he should be the whole Committee himself—(hear, hear)—though I am now bound to say, after his recent speeches, that I would have some slight suspicion that I would hardly get fair play. (Hear, hear, and cheers.) What has been the course of the hon. gentleman in regard to this matter? He allowed Parliament to meet and rise without making a sign that he wanted an inquiry—without making the slightest attempt to proceed with his proof—and the moment he is clear from his responsibility as a member of Parliament he commences his annual peregrinations, accompanied by those who, after he has stated his so-called facts, stretch them as far as the credulity of their very credulous audiences will allow. (Hear, hear.)

Goderich Harbour.

I have to call your attention to one particular case, that of the Goderich harbour. Their system has been this: They name some particular transaction; they find fault with it—it matters not though it could be proved immediately that they were wrong—they go on repeating and enlarging until they magnify it into a first-class grievance. It is then called "a job," and is referred to afterwards as something proved to be wrong, though their statements have been shown to be only a simple falsehood. That was the way with the so-called Goderich harbour "job." They first said that we wantonly passed over a political opponent to reach a political friend. They found out that this could not be proved. Indeed, we did what we are required by neither law nor logic to do—we proved a negative. But it was repeated in all their newspapers, and then it came to be spoken of as the great Goderich harbour job, implying by their use of an opprobrious term that there was something wrong. They said we passed over a political opponent to give it to a political friend. Now, sir, I never knew one of the parties, never heard of one of the parties, till the tenders came before us. But we followed the usual practice in the Department: that when the chief engineer reports against giving a contract to a particular person for the reasons assigned, we then take the next lowest tender, unless we assume the responsibility of differing from our professional adviser.

Mr. Page's Opinion.

With regard to Mr. Tolton, the chief engineer, Mr. Page—who, by the way, is not an officer of my own appointment, who has been in the Department half a lifetime, a man known for his probity and uprightness, as well as for his great ability as an engineer—reported to the Department that Mr. Tolton was not a person who would be qualified, in his opinion, to carry out the work; that one of his sureties was a person who had given a great deal of trouble to the Department in another contract; and he advised us to give it to the next lowest. He stated, furthermore, that it would be impossible for Mr. Tolton to execute the work at the prices named in his tender.

Mr. Ellis, not Moore & Co., Received the Contract on Passing Tolton over.

The next lowest were not the persons who ultimately got the contract, but a Mr. Ellis, whose tender was about $212,000. He was assigned the contract, but declined to proceed, so we passed on to the next, as is the usual practice. The next was the firm of Moore & Co., who obtained the work, and if we made any error in giving them the contract, we committed that error in the public interest. I have yet to learn it was an error; it may have been one; we do not pretend to be infallible. At all events, we did precisely in that case what has been the recognized practice of this Department to an extent that would amaze you. Now, in order that you may have some idea of the correctness of this statement, I have taken a list of the contracts let by the late Government during the last three years of their existence, and I will read out to you the names of the parties who were the lowest tenderers, those who received the contracts, and state the difference in amount between the lowest tender and the sum obtained by each actual contractor. And there are cases in which no reason whatever is assigned, except that the tenders were too low, or that the Minister was not satisfied—nothing but the mere statement of Mr. Langevin, Minister of Public Works, that he considered the tenders too low. (Hear, hear.)

Specimens of Contract Letting on Lachine Canal by Late Government.

We will begin with the works on the Lachine Canal. In the case of one contract for piers, booms, and basins, Mr. Clement Deschamps was the lowest tenderer, his figure being $2,705. Mr. Dennis O'Brien was awarded the contract at $3,955, or at a loss of $1,250. On contract No. 3, for two slips or basins, the lowest tenderer was J. Blackie, at $92,222, but the contract was awarded to S. Bonneville, at $101,542, being a difference of $9,320 as against the lowest; and the only reason assigned is this, that the Minister instituted inquiries, and the information was such as would not warrant him in giving the work. (Hear, hear.) You see there is no report of an engineer mentioned in the case. Then in another contract J. Courtney & Co. tendered at $381,707, while Lemay & Bowie, whom we happen to know are strong political friends of the hon. gentlemen then in power, were given the work at $462,284, or a difference of $80,577. The Minister in this case simply states that the lowest tender was far below the actual value of the work. J. Courtney & Co. again tendered for another section of the work at $498,685, and Messrs. A. P. Macdonald & Co.—one member of which firm is, I believe, pretty well known in West Middlesex as the Tory candidate and member for years—(hear, hear)—obtained the contract at $626,728, or a loss of $128,043. (Hear, hear.) And—would you believe it?—the only statement made on giving this enormous amount of money to Mr. A. P. Macdonald,

whose proclivities you all know, is simply the assertion by the Minister that the other firm tendered far below the actual value of the work ! J. Wood or A. Parr tendered for a small contract at $5,856 ; and it was given to Mr. Michael Hennessy at $8,845, being a difference on this small tender of $2,989. Mr. Langevin says that the engineer reports the work worth $1 50 per lineal foot, and the Minister therefore recommends that Mr. Hennessy should get the contract as he comes nearest that figure. (Hear, hear.)

Specimens of Contract Letting on Welland Canal by Late Government.

Now let us take some of the contracts on the Welland Canal. Mr. G. Harvey, who was well known as a successful contractor, tendered at $98,700. Messrs. W. H. Manning & Co., of Toronto, got the contract at $126,700, or a difference of $28,000. Manning & Co. were assigned the contract on the ground that the Minister believed that Mr. Harvey had not means sufficient to carry it on. H. J. Sutton & Co. tendered for another contract at $97,920, but it was assigned to Mr. John Brown at $120,480 ; this same John Brown was the gentleman who travelled from Goderich to the Canal, and from the Canal to Goderich, in the general election of 1872, to exercise his influence against the then Opposition. The contract was assigned him on the ground that the two lowest were too low, and the next two had each a contract, and so they reached Mr. John Brown. (Laughter.) I wish you to note particularly that two were passed over for the reason that they had each another contract. (Hear, hear.) In the next contract H. J. Sutton & Co. were the lowest tenderers at $100,870, but Mr. John Brown also received this one, though his tender was $10,315 higher. The reasons assigned are exactly those given in the last, namely, that the two lowest are too low, and the next two have each a contract ; in other words, two contracts are given to Mr. John Brown over the heads of the lowest tenderers, on the ground that two other and lower tenderers had contracts already, although Mr. Brown had already one or two contracts. (Hear, hear, and laughter.) For another contract H. J. Sutton & Co. were again the lowest tenderers at $107,380, but it was assigned to R. Mitchell & Co. at $120,380, a difference of $13,000, and this also was done on the ground that the lowest tenders were both too low. H. J. Sutton & Co. were the lowest tenderers for the next contract, at $110,500 ; theirs was $18,250 lower than John Ferguson & Co.'s, whose tender was accepted on the ground that the lowest was far too low. (Hear, hear.) In the next case Mr. Peter McGraw was the lowest tenderer. I don't know Mr. McGraw or what his politics are, but I do know that a contractor of that name had a contract on the Intercolonial, and that he was a first-class man. I suppose him to be the same gentleman whose tender figures here as the lowest, at $261,680. The tender of John Ginty & Co., well known as strong political opponents of my own, was accepted at $311,970, or $50,290 above that of Mr. McGraw. Now, mark the overpoweringly strong reasons there were for giving the contract to Ginty & Co. The second lowest was too low ; the third had another contract ; the fourth was too low ; the fifth does not offer sufficient guarantees ; the sixth and seventh had other contracts ; the eighth and ninth were the same as the fifth—that is, their guarantees were insufficient. (Hear, hear.) Now, I have given you a few specimens of considerably over a hundred which appear in the return I have in my hand, as follows:—

What the Official Records Prove about Contract Letting under Late Government.

Name of Work.	Page in Vol. III	Name of Lowest Tenderer.	Name of Contractor.	Amount of Lowest Tender.	Amount of Tender Accepted.	Amount of Loss.	Remarks.
LACHINE CANAL.							
Piers, Booms and Basins	1	Clement Deschamps	Denis O'Brien	$ 2,705	$3,955	$ 1,250	Lowest declined, 2nd lowest declined, 3rd cannot be found, 4th accepted.
Two Slips or Basins (St. Gabriel)	3	J. Blackie	S. Bonneville	92,222	101,542	9,320	Minister instituted enquiries, and information is such as would not warrant him in giving contract.
Wellington Basin, etc	8	J. Courtney & Co	Lemay & Bowie	381,707	462,284	80,577	Far below actual value of the work.
Montreal Terminus (Section No. 1)	9	J. Courtney & Co	A. P. McDonald & Co	498,685	619,254	120,569	Far below actual value of work.
Extension of St. Patrick Street	9	J. Wood or A. Parr	M. Hennessy.	5,856	8,845	2,989	States engineer reports work worth $1.50 per lineal foot, Minister therefore recommends Hennessy's tender at $1.45, lowest being 96c. per foot.
WELLAND CANAL.							
Deepening and Cleaning out Feeder	2	G. Harvey	H W. Manning & Co	98,700	105,450	7,350	2nd tenderer unable to procure plant; declined.
					126,700	28,000	Had another contract, alleged want of means.
Enlargement Section No. 31	4	H. J. Sutton	John Brown	97,920	120,480	22,560	On the ground that the two lowest are too low, and next two have each a contract, thus reaching Brown.
" " " 32	4	H. J. Sutton & Co	John Brown	100,870	111,185	10,315	Exactly the same reasons as last, and same names.
" " " 29	4	H. J. Sutton & Co	R. Mitchell & Co	107,380	120,380	13,000	On the ground that the two lowest are both too low.
" " " 30	5	H. J. Sutton & Co	John Ferguson & Co	110,500	128,750	18,250	Same as the previous two.
" " " 10	5	Peter McGraw	John Ginty & Co	261,680	311,970	50,290	Two lowest too low, 3rd another contract, 4th too low, 5th does "not offer sufficient guarantees," 6th another contract, 7th do, 8th and 9th same as 5th.
" " " 16	6	Paul Ross	John Elliott & Co	244,850	276,664	31,814	Another contract; 1st, 2nd, 3rd and 4th too low; 5th another contract, 6th too low, 7th another contract, 8th and 9th too low, no guarantee, 10th no sufficient guarantee, 11th sufficient in price.
" " " 11	7	Peter McGraw	Paul Ross	301,310	311,620	10,310	Lowest too low, 2nd another contract, 3rd accepted.
" " " 8	7	Chilion, Jones & Co	Cairns, Morse & Co	184,095	198,930	14,835	Lowest another contract, 2nd too low, no necessary means.
" " " 9	7	Chilion, Jones & Co	Cairns, Morse & Co	278,755	307,020	28,265	Lowest has another contract, 2nd too low, no means, 3rd too low, 4th a contract, 5th do., 6th too low.
" " Nos. 21 and 22	8	H. J. Sutton	John Brown	325,800	413,500	87,700	Much below the actual value.
" " No. 15	...	John Brown	John Brown	358,510	358,510	...	Lowest accepted, being four contracts to one man.

What the Official Records Prove about Contract Letting under Late Government—*Continued.*

Name of Work.	Page in Vol. III.	Name of Lowest Tenderer.	Name of Contractor.	Amount of Lowest Tender.	Amount of Tender Accepted.	Amount of Loss.	Remarks.
CARILLON CANAL.							
Canal, Dam and Slide	10	Chilion, Jones & Co.	R. P. Cooke & Co.	523,689	570,272	46,583	Lowest declined.
CULBUTE CANAL.							
Dam, Locks and Mooring Pier	10	J. Stewart & Co.	W. Davis & Sons	122,608	145,646	23,038	Two lowest considered by Engineer too low. The 3rd, $143,725, J. Harvey, is passed over by considering all the circumstances and the sureties.
RIDEAU CANAL.							
Basin and Wharves at Ottawa	3	Robert Stanley	Reed & Stanley	6,762	7,395	633	Does not appear possessed of sufficient means, and tender consequently set aside.
Quaco Harbour—Breakwater	21	Edward Nugent	Clark & Stackhouse	15,000	15,990	990	
Herring Cove—Breakwater	22	Duffy, Steeves & Shaw	W. H. Duffy & Co.	10,940	12,800	1,860	Too low, and engaged in another contract (contractors' list we have).
Ingonish—Crib-work and Dredging	22	Thomas Evans	F. W. McKenzie	74,110	78,208	4,098	Has another contract; doubt his means.
Dipper Harbour—Breakwater	23	J. T. Kennedy	Clark & Stackhouse	11,200	19,950	8,750	Only reason passing lowest, too low; reason for passing 2nd (at $19,500), Department don't know him.
Chantry Island—Breakwater	23	Batter & Sutton	Andrew Lindsay	100,187	114,452	14,265	Far below actual value of work, applies to three lowest; no other reason; Koyl & Rowe 3rd, at $109,005; they are well-known, good contractors, but Reformers.
Dredge Vessel—Construction	53	A. McRay	Clark & Stackhouse	5,700	5,931	231	Lowest is excessively low, and lives in Moncton; should be given to a firm carrying on operations in St. John.
Emigration Shed, Toronto—Cons'tion.	31	J. Bellingham	Grant & Yorke	4,975	6,625	1,650	Too low, and not known to Department.
Toronto New Post Office—Cons'tion.	32	Thos. Woodhall	John Elliott	51,587	60,123	8,536	Much below the estimated value of the work, and not a practical builder.
Quebec Post Office—Construction	31	M. Piton & Co.	Breton & Frères	41,660	43,315	1,655	Not satisfied with enquiries about firm and sureties.
Heating New Post Office, Quebec	33		Charles Garth & Co.	1,575	3,368	1,793	
Grosse Is. Quarantine Bgs.—Cont'tion.	33	Charles Touchette	Piton & Co.	12,012	14,500	2,488	Reported as not possessing sufficient means for carrying out the works.
Custom House Wharf, Quebec—Repairs	34	Gingras & Co.	J. B. Lefrancois	2,300	4,770	2,470	Stated in O. C. that Gingras & Co. could not possibly do the work for the sum named.

Enclosure Wall Pub. Buildings, Ottawa	41	James Murphy	Jas. Goodwin	36,550	45,000	8,450	That the Chief Architect reports that "the lowest should not be accepted, being too low." Minister concurs, and recommends that second be accepted.
Firewood, Public Buildings, Ottawa	43	Ed. Mooney	John Heney	$4.54 per cd. 16,414	4.73 per cd. 17,102	688	Lowest unknown to Department; 2nd lowest accepted.
Iron Railing on wall, Public Buildings, Ottawa	44	D. W. Somerville	Ives & Allen	5,995	6,990	995	Lowest withdrawn; 2nd lowest accepted.
Madawaska River Dam, Slides, &c.—Construction	50	Thos. Stewart	John Harvey	1,819	2,011	192	Lowest passed over on ground that he had no experience in works of this nature; 2nd lowest accepted.
Do. Do.	50	Thos. Stewart	John Harvey	8,815	9,464	649	Lowest passed over on ground that he had no experience in works of this nature; 2nd lowest accepted.
Grandes Piles, River St Maurice—Flat dam, &c.	51	Joseph Samson	O. Z. Hamel	8,049	9,736	1,687	To avoid delay and arbitration on claims that had arisen on Hamel's first contract, lowest was passed over, and contract given Hamel at his former rates.
INTERCOLONIAL RAILWAY.							
Grading and Masonry, Section 4		G & J. Worthington	Elliott, Grant & Whitehead	297,000	324,000	27,000	Lowest accepted, but transferred with consent of Commissioners and Government to 2nd lowest.
" " " " 7	3	Lowe & Hanson	H. J. Sutton & Co.	358,248	413,955	55,707	Lowest and 2nd lowest withdrawn; 3, 4 and 5 lowest, Commissioners were not satisfied with the sureties offered; 6th lowest accepted.
" " " " 5	3	Chas. Fahey & Co.	Edw. Haycock	349,960	361,574	11,614	Lowest declined; 2nd lowest, not satisfied with sureties, skill, experience and resources; 3rd lowest, no sureties offered; 4th lowest withdrawn; 5th lowest accepted.
" " " " 9	4	Gray & Lowe	J. B. Bertrand & Co.	220,632	354,897	134,265	1, 2, 3 and 4 lowest, not satisfied with skill, experience and resources; 5th lowest withdrawn; 6th lowest, not satisfied with skill, experience and resources; 7th lowest, failed on former occasion to execute necessary deeds; 8th and 9th lowest, already secured a contract, not expedient to give them another; 10th lowest accepted.
" " " " 12	7	W. Barker & Co.	Summer & Somers	539,174	597,600	58,426	Lowest, not satisfied with skill, experience and resources; 2nd lowest accepted.
" " " " 10	7	P. Marier & Co.	McBean & Robinson	323,000	362,083	39,083	Lowest withdrawn; 2, 3 and 4 lowest, not satisfied with skill, experience and resources; 5th lowest, already secured a contract, not considered expedient to give a second; 6th lowest, failed on former occasion to execute necessary deeds; 7th lowest accepted.
" " " " 3	9	Cracey & Murphy	Berlinguet & Co	438,480	462,444	23,964	1st and 2nd lowest, not satisfied with skill, experienc and resources; 3rd lowest accepted.

What the Official Records Prove about Contract Letting under the Late Government—*Continued.*

Name of Work.	Page in Vol. III.	Name of Lowest Tenderer.	Name of Contractor.	Amount of Lowest Tender.	Amount of Tender Accepted.	Amount of Loss.	Remarks.
INTERCOLONIAL RAILWAY.							
Grading and Masonry, Section 4	9	J. & T. Maguire........	Smith & Pitblado.....	375,543	438,325	62,782	Lowest, not satisfied with skill, experience and resources; 2nd lowest, has a contract, not considered expedient to award another: 3, 4, 5 and 6 lowest, not satisfied with skill, experience and resources; 20th lowest became 7th lowest by being allowed to amend. Lump sum accepted. Parties receiving contract were 20th, and allowed to change offer of $480,325 to $438,325, and so took the place of the 7th.
" " " " 5	11	J. & T. Maguire.. . ..	A McDonald & Co. ...	454,503	533,000	78,497	1, 2, 3, 4 and 5 lowest, not satisfied with skill, experience and resources; 6th lowest accepted.
" " " " 6.....	12	J. T. & D. Maguire....	F. X. Berlinguet & Co.	399,917	456,946	57,029	1, 2, 3 and 4 lowest, not satisfied with skill, experience, and resources; 5th lowest accepted.
" " " " 7.....	13	John Lowe & Co.........	Jas. Simpson & Co....	450,963	557,750	106,787	1st and 2nd lowest, not satisfied with skill, experience, and resources; 3rd lowest, no sureties offered; 4th lowest, already has a contract, not considered expedient to award them another; 5, 6, 7, 8, and 9th lowest, not satisfied with skill, experience and resources; 10th lowest, sect. 6 recommended to be awarded to them, not considered expedient to award them a second; 11th lowest, passed over without assigning a reason; 12th lowest accepted.
" " " " 13	15	John McKenzie..	W. E. McDonald & Co.	738,000	909,933	171,933	1, 2, 3 and 4 lowest, not satisfied with skill, experience, and resources; 5th lowest accepted.
" " " " 15....	17	Cracey & Murphy....	J. B. Bertrand & Co...	316,415	363,020	46,605	Lowest, not satisfied with skill, experience and resources; 2nd lowest accepted.
" " " " 17....	17	A Sylvain & Co........	S. P. Cuck	396,000	440,000	44,000	Lowest withdrawn; 2nd lowest declined; 3rd lowest, not satisfied with skill, experience and resources; 4th lowest, sureties stated they did not sign tender, Commissioners could not recommend; 5th lowest accepted.

Grading and Masonry, Section 19	19	Mitchell & Co	S. P. Cuck	317,502	395,733	78,231	1st and 2nd lowest, ruled out for error; 3rd lowest, not satisfied with skill, experience and resources; 4th and 5th lowest, withdrawn; 6th lowest, not satisfied with *skill, experience and resources*; 7th lowest accepted.
" " " " 18	20	Mitchell & Co	R. H. McGreevy	541,000	648,600	107,600	Lowest declined; 2nd lowest withdrawn; 3rd lowest, not satisfied with skill, experience and resources; 4th lowest withdrawn; 5th lowest accepted.
" " " " *20*	21	*J. C. Gallagher*	Brown, Brooks & Ryan	546,600	624,854	96,254	Lowest ruled out, *no sureties*; *2nd and 3rd* lowest, not satisfied with skill, experience and resources; 4th lowest, recommended by Commissioners after introduction of new parties to tender, but Government could not accept as it would be a new tender; *5th lowest, no* sureties; 6th lowest, not satisfied with skill, experience and *resources*; 7th lowest accepted.
" " " " 22	24	Sutherland, Grant & Co	C. Cummings & Co.	323,877	331,000	7,123	Lowest have a contract already awarded to them, considered inexpedient to give them a second; 2nd lowest accepted.
Ten Locomotives	25	Yorkshire Engine Co.	W. Montgomery & Co	115,750	125,000	9,250	Lowest, Commissioners report below value of work; 2nd lowest accepted.
Fifteen "	25	Yorkshire Engine Co.	Dobbs & Co	173,625	187,500	13,875	Lowest, Commissioners report below value of work; 2nd lowest accepted.
Fifteen "	26	Yorkshire Engine Co.	Canadian Engine and Machine Co.	173,625	187,500	13,875	Lowest, Commissioners report below value of work; 2nd lowest accepted.
Fifty Box Cars	27	Wm. Hamilton & Son	Gough and Hunter	35,950	36,750	800	Lowest have a contract already awarded to them, considered inexpedient to award them a second; 2nd lowest accepted.
Fifty "	27	Wm. Hamilton & Son	John F. Ceed	35,950	36,750	800	Lowest have a contract already awarded to them, considered inexpedient to award them a second; 2nd lowest accepted.
Sixty Platform Cars	28	W. Glendenning	Inter'lonial & Steel Co.	34,20.	34,200	.....	Lowest tender not entertained. Special arrangement was made with Intercolonial and Steel Co. at lowest tender price.
17,000 Sleepers on Section 12	28	C. A. Lawrence	Jas. McCulloch	2,847	3,315	468	Lowest declined; 2nd and 3rd lowest passed over without assigning a reason; 4th and 5th lowest declined. No tender above this was entertained, but a private arrangement was made by Commissioner McLellan for a price equal to 6th lowest tender.
30,000 " " 7	29	R. McLeod	O'Brien & McKin	4,500	4,800	300	Lowest passed over without assigning a reason; 2nd lowest accepted.
30,000 tons Steel Rails	29	Ebbw Vale Co.	Barron Hematite Stl. Co	1,600,500	1,636,875	36,375	Lowest have a contract already awarded to them, not considered expedient to award them a second; 2nd lowest accepted.

Name of Work.	Page in Vol. III.	Name of Lowest Tenderer.	Name of Contractor.	Amount of Lowest Tender.	Amount of Tender Accepted.	Amount of Loss.	Remarks.
INTERCOLONIAL RAILWAY.							
50,000 Sleepers	30	M. Fitzgerald	Jos. Rouleau	11,850	16,500	4,650	The seven lowest passed over. The Commissioners, having reference to all the particulars of each tender, recommended the acceptance of the 8th lowest; accepted.
65,000 " on Section 5	31	M. Fitzgerald	A. Lepage & Co.	14,820	15,925	1,105	The lowest passed over. The Commissioners, having reference to the particulars of this tender, recommended the acceptance of the 2nd lowest; accepted.
50,000 " "	31	A. M. McDonald & Co.	A. G. Coté	12,500	16,000	3,500	The eight lowest passed over. The Commissioners, having reference to all the particulars of each tender, recommended the acceptance of the 9th lowest; accepted.
Fifty-three Cars	33	R. A. Saunders	Jas. Harris & Co.	34,900	36,100	1.200	The lowest passed over, the Commissioners not being satisfied with the skill, experience and resources; 2nd lowest accepted.
30,000 Sleepers on Section 12	33	T. A. Lawrence	Aikins & McElmon	5,025	5,925	900	Lowest declined; 2nd and 3rd lowest passed over without assigning a reason; 4th and 5th lowest declined; 6th lowest have a contract already awarded to them, not considered expedient to give them a second; 7th lowest accepted.
14,000 "	34	G. B. Grant & Co.	W. Faulkner	2,223	2,030	....	Lowest passed over without assigning a reason; contract made at lower figure by private arrangement.
28,000 " Section 4	35	Trueman & Fraser	Jas. Blair	7,280	7,484	204	Lowest passed over without assigning a reason; 2nd lowest accepted.
28,000 " " 4	35	Trueman & Fraser	C. C. Seaman	7,280	7,484	204	Lowest passed over without assigning a reason; 2nd lowest accepted.
7,844 " " 4	35	R. McLeod	R. & B. McLellan	1,255	1,359	104	Lowest passed over without assigning a reason; 2nd lowest accepted.
113,000 " " 7	36	D. Connors	Coté & McDonald	32,205	35,030	2,825	The four lowest passed over without assigning a reason; 5th lowest accepted.
45,000 " " 7	37	R. McLeod	Amos Fountain	6,750	8,415	1,665	Lowest accepted, but cancelled on account of Commissioners reporting undue delay in signing contract; all the other 37 tenders passed over without assigning a reason, and a private arrangement made with Amos Fountain at a figure ranging 9th lowest of the tenders

Track laying and Ballasting Sections 4, 7 and 12	38	J. D. Fraser & Co	Fraser, Steward & Fraser	46,595	70,200	23,605	Lowest awarded; commenced work; refused to sign contract; the fourteen next lowest passed over without assigning a reason; 16th lowest accepted.
Tank House and Fuel Shed at Athol	41	J. W. McDonald	Douglas & Cowe	800	1,500	700	Lowest passed over without assigning a reason; 2nd, 3rd and 4th lowest declined; 5th lowest accepted.
Station House, Trois Pistoles	42	A. St. Laurent & Co.	A. Grant & Co.	3,900	4,900	1,000	Lowest have a contract already awarded to them, considered inexpedient to give them a second; 2nd, 3rd, 4th and 5th lowest declined; 6th lowest accepted.
" St. Simon	42	A. St. Laurent & Co.	A. Lepage & Co.	4,250	4,400	150	Lowest have a contract already awarded to them, considered inexpedient to give them a second; 2nd lowest accepted.
" St. Fabien	43	A. St. Laurent & Co.	A. Lepage & Co.	4,200	4,280	80	Lowest have a contract already awarded to them, considered inexpedient to give them a second; 2nd lowest accepted.
" Bic	43	A. St. Laurent & Co.	A. Lepage & Co.	4,000	4,280	280	Lowest declined; 2nd lowest accepted.
" Rimouski	43	C. F. Parent	A. Lepage & Co.	3,800	3,980	180	Lowest declined; 2nd lowest passed over without assigning a reason; 3rd lowest have another contract awarded to them; 4th lowest accepted.
" Cacouna	44	J. E. Lepage and Co.	F. Soucy	4,600	4,925	325	Lowest declined; 2nd, 3rd and 4th lowest passed over without assigning a reason; 5th lowest accepted.
" Isle Verte	45	G. Dion & Co.	F. Soucy	4,240	4,875	635	Lowest declined; 2nd, 3rd, 4th and 5th lowest passed over without assigning a reason; 6th lowest accepted.
" St. Luce	45	A. St. Laurent & Co.	J. Rouleau & Co.	4,000	4,250	250	1st and 2nd lowest declined; 3rd lowest passed over without assigning a reason; 4th and 5th lowest declined; 6th lowest accepted.
" St. Flavie	64	A. St. Laurent & Co.	J. Rouleau & Co.	4,100	4,280	180	1st, 2nd and 3rd lowest declined; 4th and 5th lowest passed over without assigning a reason; 6th lowest accepted.
Tank House & Fuel Shed, Isle Verte	46	G. Dion & Co.	A. Matte	650	1,600	950	Lowest declined; 2nd lowest passed over without assigning a reason; 3rd lowest accepted.
" " Trois Pistoles	46	A. St. Laurent & Co.	A. Matte	600	1,500	900	Lowest passed over without assigning a reason; 2nd lowest declined; 3rd lowest accepted.
" " Bic	47	A. St Laurent & Co.	A. Matte	600	1,500	900	Lowest passed over without assigning a reason; 2nd lowest declined; 3rd lowest passed over without assigning a reason; 4th lowest accepted.
" " Rimouski	47	G. Dion & Co.	A. Matte	900	1,400	500	Lowest declined; 2nd, 3rd and 4th lowest passed over without assigning a reason; 5th lowest accepted.
" " Metapedia Rd.	47	G. Dion & Co	A. Matte	700	1,500	800	Lowest declined; 2nd lowest passed over without assigning a reason; 3rd lowest accepted.
Flag Station at Napan	48	John McQuarrie & Co	McKenzie & Chisholm	200	260	60	Lowest declined; 2nd, 3rd, 4th 5th and 6th lowest passed over without assigning a reason; 7th lowest accepted.

Name of Work.	Page in Vol. III.	Name of Lowest Tenderer.	Name of Contractor.	Amount of Lowest Tender.	Amount of Tender Accepted	Amount of Loss.	Remarks.
INTERCOLONIAL RAILWAY.							
" " Minudie........	48	John McQuarrie & Co.	McKenzie & Chisholm	200	260	60	Lowest declined; 3rd, 4th, 5th and 6th lowest passed over without assigning a reason; 7th lowest accepted.
Moncton Buildings	34	A. McKay............ ...	Crossby McKean.. ...	69,000	83,923	14,923	1st, 2nd and 3rd lowest, the Commissioners were not satisfied with the skill, experience and resources; 4th lowest accepted.
Flag Station at Salt Springs......	48	John McQuarrie & Co.	McKenzie & Chisholm	200	250	50	Lowest declined; 2nd, 3rd, 4th and 5th lowest passed over without assigning a reason; 6th lowest accepted.
" " Greenville...............	49	John McQuarrie & Co.	McKenzie & Chisholm	220	250	30	Lowest declined; 2nd, 3rd, 4th and 5th lowest passed over without assigning a reason; 6th lowest accepted.
Tank House & Fuel Shed, Folly Lake.	49	Sumner & Somers......	McKenzie & Chisholm	995	1,600	605	Lowest passed over without assigning a reason; 2nd lowest accepted.
" " Iron Mines..	50	J. W. McDonald.......	McKenzie & Chisholm	850	1,600	750	Lowest passed over without assigning a reason; 2nd lowest accepted.
Engine House, Ste. Flavie	50	Jos. Rouleau & Co... ..	Jas. Isbester & Co......	13,250	21,989	8,739	Lowest declined; 2nd lowest, Commissioners learned the lowest was interested in 2nd lowest; 3rd lowest declined; 4th and 5th lowest passed over without assigning a reason; 6th lowest accepted.
Engine House, &c., Newcastle.........	51	Thos. Oxley........	George Perkins & Co..	7,887	16,947	9,060	1st and 2nd lowest passed over without assigning a reason; 3rd lowest accepted.
Truro Refreshment Building............	51	A. McKay................	George Grant & Co....	10,300	10,483	183	Lowest passed over without assigning a reason; 2nd lowest accepted.
Truro Freight Building....................	52	McKenzie & Chisholm	George Grant & Co....	1,495	2,000	505	Lowest passed over without assigning a reason; 2nd lowest declined; 3rd, 4th, 5th, 6th and 7th lowest passed over without assigning a reason; 8th lowest accepted.
Track-laying, &c., Contract 27........	54	J. P. Larrivé & Co.....	Jas. Worthington......	67,234	97,429	30,195	The twelve lowest tenders passed over after considering the minimum estimate of Chief Engineer; 13th lowest accepted.
10,000 Sleepers......	55	A McKay................	F. B Léger..............	2,000	2,700	700	1st, 2nd, 3rd, 4th, 5th and 6th lowest passed over without assigning a reason; 7th lowest accepted.

62,000 "	55	Jas. Fitzsimmons	Michel Savoy	10,850	12,586	1,736	1st, 2nd, 3rd and 4th lowest passed over without assigning a reason; 5th lowest accepted.
62,500 "	56	A. McKay	John Weir	10,625	14,375	3,750	1st, 2nd, 3rd, 4th, 5th, 6th and 7th lowest passed over without assigning a reason; 8th lowest accepted.
57,500 "	56	A. McKay	D. C. King	9,200	13,225	4,025	1st, 2nd, 3rd and 4th lowest passed over without assigning a reason; 5th lowest accepted.
47,000 "	57	John Meahan	John E. O'Brien	9,262	11,875	2,613	1st and 2nd lowest passed over without assigning a reason; 3rd lowest accepted.
53,500 "	57	N. Richard	F. L. McDonald	9,897	12,305	2,408	1st, 2nd, 3rd, 4th, 5th, 6th, 7th and 8th lowest passed over without assigning a reason; 9th lowest accepted.
125,000 "	58	A. M. McDonald	F. L. McDonald	25,000	33,750	8,750	Lowest passed over without assigning a reason; 2nd lowest accepted.
Freight House, Campbelltown	59	George Grant & Co.	J. Gallagher & Sons	2,200	3,485	1,285	1st, 2nd and 3rd lowest passed over without assigning a reason; 4th lowest accepted.
Track-laying and Ballasting	61	A. Lepage	J. J. McDonald & Co.	116,616	143,384	26,768	1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th and 10th lowest reported by Commissioners unsatisfactory; 11th lowest accepted.
Grading and Masonry, Section No. 6	4	A. G. Sinclair	Jacques Jobin	237,300	241,500	4,200	Lowest, sureties not considered satisfactory; 2nd lowest accepted.
Tank House at Polly Bay	11	— Hatt	Wm. Stewart	415	595	180	The three lowest passed over, Mr. Carvell having reported them "irresponsible men"; 4th lowest accepted.
Grading and Masonry, Section No 14.	19	D. C. Archibald	Neilson & McGaw	230,600	245,475	14,875	Lowest ruled out, as not being in accordance with advertised conditions, no sureties; 2nd lowest accepted.
" " " " 21.	27	G. W. Charland & Co.	Patrick Purcell	441,271	483,195	41,924	Lowest accepted, but cancelled on account of Commissioners reporting undue delay in signing contract; 2nd lowest accepted.
300 tons of Spikes	43	James Scovil	Peck, Benny & Co.	17,000	27,000	10,000	1st and 2nd lowest declined; all the other 7 tenders were passed over without assigning a reason, and a private arrangement made with Peck, Benny & Co. at a figure equal to 8th lowest tender.
Branch Line to Gilbert's Island	58	Hurd Peters	Mahony & Robertson.	52,000	52,245	245	Lowest, not requisite guarantee offered; 2nd lowest accepted.
Engine for Coal Traffic	60	Grant Loco'tive Works	Dantforth Loco. Works	14,500	15,750	1,250	Lowest already awarded one engine; considering the emergency of the case for early delivery, it was considered inexpedient to award him a second; 2nd lowest accepted.
Richmond Wharf	64	Litster & Hamilton	N. D. O'Brien	66,000	78,000	12,000	Lowest, no sureties named in tender; 2d lowest accepted.
Engine House, Campbelltown	68	Robert Litster	T. Gallagher & Sons	2,655	16,880	14,225	Lowest passed over without assigning a reason; 2nd lowest accepted.
					TOTAL	$1,546,429	

Difference on Canals between Tenders Accepted and those Lowest.

I may just say that on the contracts on the Lachine Canal, the Welland Canal, and the Carillon Canal alone there is a difference of $537,518 between the sum of the lowest tenders, passed over as I have described, and the aggregate of those accepted. (Hear, hear.) Yet these men, in the face of these facts, culled from their own departmental history, have the cool, unblushing assurance to tell the public that I have "systematically and continuously rejected the lowest tenders."

An Analysis of Tenders Accepted from 1870 to 1876.

When Sir John's speech was made containing this remarkable statement, I had a careful analysis made of the tenders that were accepted by the two Governments respectively during a series of years, taking in their case their three last years—according to their own statement—1870-71, 1871-72, and 1872-73, and taking as ours 1874, 1875 and 1876. I have had it prepared in two ways, one representing the actual number of lowest tenders that have been accepted or set aside from causes other than those arising from the action of contractors themselves; in other words, showing the number of lowest tenders accepted by the Government. John Jones may send in a tender which may be accepted, and then he may refuse to go on with the work, and then John Robinson becomes the lowest; any person who retires voluntarily from his tender is not spoken of as a tenderer at all.

The Tory years 1870 to 1873.

In 1870 the late Government let altogether 52 contracts, and of these 32 were accepted as being the lowest, and 20 rejected for reasons of the Government and not of the contractors; so that in the first year quoted they rejected 20 of the *bona fide* lowest tenders presented to them. The total amount contracted for that year was $9,135,430, of which the lowest tenderers got $2,455,325, or about one-fourth of the whole reached the parties who tendered lowest. In 1871 there were let altogether 75 contracts, and of these 58 were assigned to the lowest tenderers. The total amount of money expended on these contracts was $4,027,207, the lowest tenders representing $1,765,656, or considerably less than one-half. In 1872 there were 77 contracts let, and of these 50, or nearly two-thirds, were given to the lowest tenderers. Of the amounts of the contracts, nearly one-half, or $846,540 out of $1,695,313, was embraced in the lowest tenders. In 1873 there were 76 contracts let, of which 53 of the lowest were accepted. The total amount of the contracts that year was $5,969,802, and the amount represented by lowest tenderers was $1,978,351, or about one-third.

The Reform years 1874 to 1876.

Now we come to the first year the present Government were in office, in which 90 contracts were let. Of these 70 were accepted as being the lowest. You can see at once how the proportion increases. The total amount of money expended by these contracts was $5,500,335, of which the lowest tenders represented considerably more than one-half, or $2,987,047. In the year 1875, when we had the new system in complete operation—and I will explain it presently—there were altogether 73 contracts let, and of these not less than 69 were awarded to the lowest tenderers. (Cheers.) The total amount of money represented by the contracts that year was $9,269,766, and the aggregate of lowest tenderers was $9,097,265, or almost the whole amount. (Hear, hear.) Then in 1876, the last year of which I have a record, there were altogether 30 contracts, 25 of which were let to the lowest tenderers. The total amount for that year was $4,665,562, while the lowest tenders represented a sum of $4,297,550, or very nearly the entire amount. Yet in the face of this record, which these gentlemen had before them, they come forward and make these scandalous statements throughout the country. I challenge them to produce a particle of evidence in support of the accusations they are making. I give these few facts regarding public tenders in order to show that this Government have adopted the most scrupulous and exact means in order to reach *bona fide* contractors.

Old and New Method of Receiving Tenders.

What was the custom when we went into office? Tenders were advertised for. Five or six men banded together; Smith would make his tender $10,000 above Jones, and Robinson would make his $20,000 higher than Smith, and Brown his $30,000 higher than Robinson, and so on. When the tenders came to be known, the two or three who were lowest would retire in succession, and they would divide among them the one which was accepted. (Hear, hear.)

How they Are and Were Opened.

You will find also that previous to my time the tenders were generally opened by the Minister. I conceived it to be my duty never to open a tender. (Hear, hear, and cheers.) That is attended to by my two principal officers, who, after opening the tenders, mark them with the letters of the alphabet, but not with the names of the persons tendering. Then the circumstances are considered, and so far as it is possible the contract is awarded to the lowest. I never open a single tender, because I desire to come to the consideration of the matter without a particle of knowledge of who the parties are who tender until it has been decided who should get the contract. (Loud cheers.)

A Deposit Required from Tenderers to show Good Faith.

Nay, more; in order to stop this system of jobbing in public contracts, I decided that we would receive no tenders unless the parties deposited $1,000, or some certain amount, in cash, and if that tender was the lowest we did not permit the parties to withdraw without forfeiting the deposit. That never was done before.

The Result as Shown in Cheap Contracts.

And what has been the result of our system? We have at the present moment 228 miles of railway under contract from Lake Superior to the Red River, the largest portion of which is through a country never before trod by the foot of man, except the Indians, the Hudson Bay hunters, and our own engineers. There are 108 miles on the one end from Selkirk to Keewatin, and 116 on the other from Thunder Bay westward, and we will have the whole finished next year at, as nearly as possible, one-half of the rate per mile at which the Intercolonial Railway was built. (Loud cheers.)

Proper Security now Required.

Another evil which we corrected with regard to contracts was the practice of trading in securities of one kind and another. I decided to accept nothing in the way of surety without a deposit of money, or bank stock or mortgages which would be accepted by any commercial company, to the extent of five per cent. on the amount of the tender. This condition is exacted before the contractor is allowed to proceed with his work. The result of these reforms is that we have now the most complete contract system in the world—(cheers)—and it is one which, as you can see, operates to the advantage of the public, instead of being a mere means of fattening contractors of a particular class, or a political instrument in the hands of the Administration.

Petition of Right Law Passed to leave Contractors with the Legal Courts.

Since we assumed office we passed a law known as the Petition of Right Law, which enables a private person to sue the Government if he feels himself aggrieved in his dealings with them, just as if the dispute was between two private individuals. Since that law was passed we have had no less than seventeen suits brought under the contract system of the late Government against the Administration of the day; but there is not a single suit in regard to any of our own contracts. Every one of these suits will cost us a large sum of money, though they are but the natural outgrowth of a vicious contract system. Now, I invite any member of Parliament, from the leader of the Opposition to the great stretcher himself—(laughter)—to proceed with an investigation into any one of our contracts. They tell a story about a contract on the Gatineau River boom.

The Gatineau Boom Contract.

In this case tenders were to be received until Saturday at noon, and those which had come in up to the hour advertised were opened. On Monday two envelopes appeared enclosing additional tenders, but these were, of course, rejected. The parties who had sent these came to us and said that they had certainly put them in in time at the Post-office, and as we supposed there might be a mistake, I said to the Deputy-Minister that we had better open these tenders. One of them happened to be the lowest; but before we notified the parties at all, an officer in my department, who had no right to know of the contracts at all, went secretly and notified Mr. Palin that he was the lowest, and that he might go on with the work. We came to know afterwards that the lowest were not mailed at all in time, but that the officer I have referred to had it in his power to give information about the tenders. We agreed, therefore, to carry out our rule, and we gave the contract to the lowest of those received in time. It was said that I did this because I wanted to give the contract to a political friend, a Mr. Murphy. I had never met that gentleman in my life to my knowledge; I have not seen him yet. I may add also that the man who sent in the lowest of the rejected tenders came into my office and claimed consideration on the ground that he was a political supporter. (Hear, hear.) So that I was in the position of rejecting the tender of one who called himself a political supporter in order to give the contract to one whom I had never seen in my life. (Cheers.)

Montreal Examining Warehouse Contract.

Another one:—The examining warehouse in Montreal was let by public competition. The foundation we did not know much about. It was not known how deep we would have to go for it, and the contract was given for the superstructure altogether above a certain level, and the party who afterwards obtained the contract was the lowest by about $1,000. But we knew there would be a certain amount of additional work in the foundations, and I refused to give the contract unless the contractors should agree beforehand to perform this extra work at prices the architects fixed upon as a fair value. They refused to do it. I then sent for Mr. Martin, the next lowest tenderer, and ascertained his securities. In the meantime the first parties returned and said they would take the masonry work on the foundations at the architects' valuation, and thereupon we gave the contract, they being the lowest for the work advertised. These are the three cases upon which these gentlemen have sought to base their wonderful fabric of slander, misrepresentation and falsehood, and nothing else. Could anything be done more straightforwardly than in the action of the Government in these three cases? There is another matter I will refer to if time and weather permit.

Kaministiquia Lands.

I have been charged with being a party to the valuation of land at Lake Superior to an amount very much in excess of what this land was worth. Well, it is perfectly well known that the Minister never values land—at least he should not do so, and I never did, though I may give you an instance in which a Minister did value certain lands. The truth is simply this. In regard to the Pacific Railway, Mr. Sandford Fleming, the Chief Engineer, determined that the location of the terminus should be on the Kaministiquia River, which falls into Thunder Bay about three or four miles from the present village of Prince Arthur's Landing. I entirely approved of the selection made. It is a river about 100 yards wide, with deep water for vessels that navigate the lakes, and we can build wharves there at a tenth part of the expense at any place else.

What was Paid, and the Quantity of Land.

We have paid about $50,000 for the right of way or the proprietary on the banks of this river of over one hundred acres of land, covering much of the town plot, and over two miles of the banks of the river.

How Lands are Valued.

When land has to be purchased for public purposes, as for the canals or railways, we appoint two men, who are believed to be noted for their uprightness, intelligence, and special qualifications, to value such lands. If the parties owning the property accept their valuations, we pay the money ; if they don't, then the case goes before the Dominion arbitrators, who take evidence in the matter.

Valuators on Lachine Canal.

Here is an instance in the case of the Lachine Canal. We appointed Mr. Valois, a very able and thoroughly capable French gentleman of Montreal, and Mr. Wm. Darling, a merchant of Montreal—certainly not known all his life as a political supporter of mine, though I don't know what his politics are now—and an able man.

Valuators on Welland Canal.

In the case of the Welland Canal and the dam on the Grand River, I appointed as one man Mr. James Lester, with an able surveyor, and a gentleman of the name of Livingstone, from Kingston. We did not hear any word of reproach about any of these gentlemen. No one doubted their capacity or honour, and though we have had a few cases of arbitration, the result has been most satisfactory.

Valuators on Fort William Lands.

Now, whom did we appoint on the Kaministiquia ? I wrote to my friend Hon. Mr. Pardee, Commissioner of Crown Lands, and asked him to give me the name of a surveyor well acquainted with the Kaministiquia district, and who knew the value of the lands. He named Mr. Wilson, a well-known surveyor—a Conservative—as one who could be fairly entrusted with the valuation of this property. I named as the other Mr. Robert Reid, of London, well known in that city for half a lifetime as one of the most upright business men that lives in broad Canada to-day. These gentlemen valued the land, so far as it has been valued—for there are some yet remaining —and I have no doubt that they did the duty as faithfully as any men could discharge it. But even if they did not discharge the work properly, am I to be charged with fraud or with favouring certain individuals ? I just recollect that I got an angry letter from you, Mr. Chairman, saying that they valued a lot of yours at $250, for which you paid $300 two years ago. I said that I could not interfere, but that I would send back the papers to the valuators, and I did in many such cases. The late Malcolm Cameron owned some land on the Lachine Canal, for which he paid 36½ cents per foot some years ago, but for which the valuators allowed him only 32½ cents. Senator Vidal, the administrator of the estate, came to me and complained of the low price awarded for the land. I said, "I cannot help it. If you will make out a statement of your case I will send it to the valuators, and see whether they would feel disposed to reconsider their decision and give a higher price. This is all I can do, as I am acting solely in the public interest." It went to the valuators, and they returned a respectful answer that they had considered the matter, and that however much the price paid by Mr. Cameron for the land the value they had set on it could not be exceeded. These are the kind of men we have been employing. Dr. Tupper told an admiring crowd that we paid more for the right of way on the Kaministiquia for that one hundred acres than his Government had paid for the right of way for eighty miles on the Intercolonial Railway from Halifax to Sackville, or some other district—I forget the precise locality named. I may tell you that we can sell half of the land at Kaministiquia for more than we paid for the whole of it.

Value of Lands at Newcastle.

There is little land on the Intercolonial at the place referred to worth anything, and no one would take it as a gift if he were obliged to live on it. I replied to Dr. Tupper in the House of Commons that his colleague, Mr. Peter Mitchell, late Minister of Marine, got $16,000 for two acres of land on the Miramichi River. In the whole valley of that river there is a population of not more than ten or fifteen thousand people, and these are nearly all in the towns of Chatham and Newcastle. They wanted, or pretended to want, a place where they might have a deep water wharf to which vessels of large draught might be brought ; and Peter Mitchell, the Minister, applied to Peter Mitchell the owner of the land, to purchase it for that purpose, and agreed to pay $16,000 for it. The land has never been used to this day but for occasional services. (Hear, hear.) I don't say whether the price was too large or too little ; but if it was just, I think land is very dear in that particular quarter—it is about twenty times the price of land at the Kaministiquia, where we expect a great continental railway to have its terminus on our lakes. And yet these are the parties who have the assurance to come before the yeomanry of this country and hurl these charges against myself and friends, who have endeavoured to carry into practical effect the reforms they advocated in Opposition. There are two or three other matters to which I wish to refer briefly.

Plan of Building the Pacific Railway.

You have seen the accusation that I have been spending a great deal of money on the Fort Francis locks. Those not intimate with the geographical description of the country from Fort William to Selkirk will understand that my plan, as developed in my election speech at Sarnia, and my plan now in regard to the Pacific Railway, was, that it was impossible to carry out the bargain which the late Government improvidently and improperly made with British Columbia

—made apparently with no other object than to be in a position to let enormous contracts and get enormous sums from the contractors wherewith to corrupt the public of this cou try. Our object was to keep that promise as far as it could be kept consistently with our means, but we had determined that upon no account should we tax the bulk of the Dominion for the mere benefit of ten or fifteen thousand people on the Pacific coast. (Hear, hear, and cheers.) At the same time we admitted that we were under a moral obligation to the people of British Columbia to carry out as far as possible the promise our predecessors had made. They were the trustees of the public, as we were. and my idea was this—that we should begin at Fort William, at which point there is excellent water navigation during seven or eight months of the year, as soon as possible, without waiting for the completion of the surveys west; that from there we should build in as straight a line as possible to the crossing point of the Winnipeg River at Rat Portage (now Keewatin); that we should build as much on the west end as would bring us from Selkirk, on Red River, to the waters of the Lake of the Woods at Keewatin, and on the east end as much as would take us to the summit waters of Lac des Mille Lacs, or possibly Shebandowan Lake. We have found that we can build the road between Selkirk and Fort William, the distance supposed to have been 432 miles, but which is not more than 408 miles by the surveyed line. We have contracts going on which will enable us to have the road from Selkirk to Winnipeg River (110 miles) by the end of next season; and we have contracts to English River—116 miles—from Fort William westward. At a distance of about 70 miles we reach the waters of Lac des Mille Lacs. When we reach these two points west and east we have only a few portages—I think six in all—the longest three miles, the others very short, which we can overcome by cheap tramways for some years, and then we get into Rainy Lake. From the east end of that lake to where the railway touches the Lake of the Woods at Keewatin, we have well on to two hundred miles of clear navigation with one lock to Fort Francis.

Fort Francis Locks.

We therefore took a vote of Parliament and proceeded to build one large deep lock with a lift of about 23 feet to overcome the obstacles. We ask where is the charged impropriety? Did we give the contract improperly to any person? The whole wrong about it is, according to these gentlemen, that we did the work by days' labour instead of by contract. We did this for the reason that it was an exceedingly difficult part of the country to obtain any information about for contractors, and that it was very desirable to proceed as soon as possible. The late Government undertook to build two steamers in this very country by contract, but owing to insuperable difficulties the contractors abandoned the work, and the Government had to finish it themselves by day labour. There is one amusing incident in this days' labour connection.

Sir John on the Enormity of Doing Work by Days' Labour.

I had my finger on the spot at the moment Sir John was making a charge of doing the work by days' labour, and I was in a position to tell him that in that very district and on that very road he had expended on the Red River road or the Dawson route nearly a million and a quarter and never gave out a contract. It was a shocking thing for me to employ men by the day, and put the work in charge of a skilful engineer and foreman, to execute a work which when completed will give us a highway through our own territory, which we can use for a number of years until we are able to build the 180 miles in the middle between the sections of railway under contract, and which remain to be given out.

One Hundred and Eighty Miles of Railway between Fort William and Keewatin not given out.

I don't know that the means of this country will enable us to do that at an early day, but I do know that after spending such enormous sums on our canals, it is necessary that we should act as prudently and economically as we possibly can in dealing with the finances of the country. I have seen in our local papers that we have increased the debt of the country enormously. Why, sir, we have not borrowed a dollar except to complete works begun by our predecessors. We have been enabled in that time to execute works far in excess of that performed by our predecessors and chargeable to income, independent of some heavy works chargeable to capital account. Let me read to you a very brief statement of the amount of money that we have expended on public works, exclusive of railways, during the last ten years.

Comparative Expenditure on Public Works—1868 to 1876.

In 1868, the first year of Confederation, there was expended by the then Government, on public works, exclusive of railways, $815,210 85; 1869, $670,163 65; 1870, $2,138,237 58; 1871, $3,389,923; 1872, $6,215,649; 1873, $6,775,161 41. In 1874, our first year, $5,573,048 93; 1875, $6,600,362 09; 1876, $6,033,378; and the estimate for the current year, which closes on Saturday, $6,792,500. We thus have for the years we have been in office an average of the enormous amount of six millions; while their average was considerably under three millions for their six years. This shows the manner in which the finances of the country have been handled; the manner in which the Public Works Department have spent the vast sums of money entrusted to our care; and I can only say that while we are bound to exercise rigid economy, we are bound to carry forward the works required in the development of a new country like ours, where we cannot stand still—where difficulties are constantly cropping up which a wise and patriotic Government must see and provide for.

New Expenditures caused by Progress of Country.

Of that character are many of the works upon which have been expended large amounts of money during the last few years. We had to provide housing for 400 North-western Mounted

Police; we had to erect Government buildings for the police and for the maintenance of peace and order. This has cost a very large amount of money, and yet in our last financial year we expended half a million less than our predecessors did in their last financial year, though they had not these difficulties to deal with. I do not propose to go into a statement of our financial affairs, as the Minister of Finance intends to deal exhaustively both with that subject as well as with our fiscal regulations at an early day; and those of you who desire to be informed on these subjects, as no doubt all of you do, will have an opportunity of reading his speeches in the public newspapers.

Public Debt and Interest under Reform Management.

I may say that while we have been compelled to borrow money to carry out the obligations entered into by our predecessors, the result of Mr. Cartwright's management of his loans has been that while the rate of interest during the seven years of their administration, upon the public debt, was 5.43½, or nearly (5½) five and a half per cent., under his administration of financial affairs it has fallen to 4.97, or something under five per cent. (Cheers.) Yet he has been charged with being a bungler—a gentleman who is proving himself a worthy successor of some able financiers who preceded him. Far be it from me to undervalue such men as Sir A. T. Galt, Sir Francis Hincks, and Sir John Rose, merely because they were opposed to me in politics. I give them full credit for having been able administrators of their office, though differing on points of policy. But the ablest administrators cannot always carry out successfully a financial system in order to produce the satisfactory results which have followed Mr. Cartwright's operations. Notwithstanding my desire to give those gentlemen credit to the utmost for their great abilities—one of them, Sir John Rose, is now our financial agent in London—

Mr. Cartwright Successful.

I claim that Mr. Cartwright has been more successful than any of them, and I have had a frank acknowledgment of Mr. Cartwright's success from at least two of the gentlemen I have mentioned. (Loud cheers.) Yet, forsooth, Mr. Cartwright is a bungler according to these wandering orators; I, too, am a failure in the Public Works Department,

Mr. Huntington's Enemies cannot Pursue Him after Death.

And as for Mr. Huntington, he has been pursued with a venom that would be perfectly unaccountable but for the fact that he was the man who first put a finger upon their sore spot, in 1872-3. (Hear, hear, and cheers.) They entertain much the same kind of feeling towards him that is said to have been exhibited by a countryman of my own on a certain occasion. Donald was on his death-bed, and when the minister called to administer ghostly consolation, he told Donald very earnestly that before he passed away he must forgive all his enemies. Donald was rather loth to admit this article into his creed, even at that trying moment; but he tried to compromise the matter by agreeing to forgive all his enemies but two. (Laughter.) He was told that this would not do; it was a true spirit of forgiveness that was required, which would embrace all mankind. "Well," he says, "if there's nae help for it, I maun e'en dae it, but"—turning to his son—"de'il tak' ye, Tonald, if ye forgie them." (Loud laughter.) It seems that my hon. friend is not to be forgiven in this life, and so deep is their feeling against him that he may well congratulate himself that their spite cannot follow him any farther, else I fear they would consign him to a very bad place. (Laughter.) Another matter and I have done.

The Great "Reaction."

You have frequently been told that there is a great reaction spreading through the land. Well, I have been over a good many portions of this Dominion, and I have not seen a sign of this reaction, and certainly none in my own constituency. (Hear, hear, and cheers.) If the faces I see before me at this moment are indicative of a reaction, then say I, spread just such a reaction through every county in Canada. (Loud cheers.) But say they, "We have gained a great many counties since the general election." It is true they gained some thirteen from us, while we gained four from them. There is an element in the Conservative mind which makes them follow their leaders, not so much because they admire their principles or approve their measures, as from a strong, unquestioning, unreasoning instinct.

The Difference of Reform and Tory Parties.

I see some Conservatives here who would admit—as they have admitted—that their party leaders have been in the wrong, but as a rule they will swear them through anything. (Laughter, and cries of "That's so.") Now, the great mass of the Reform party are imbued with an entirely different spirit. They have a spirit of inquiry and investigation; and it is little wonder if here and there are to be found some people who should be affected by the constant stream of slander and abuse which has been poured forth over the country by some of the Conservative leaders, when there was no one present to expose their misrepresentations. I just ask you to bear in mind this one fact—that my repeated challenges have so far failed to get these gentlemen to call for an inquiry into their charges, in the proper place, and in their responsible capacity in the House of Commons.

Mr. Gilmour's Opinion.

Mr. Gilmour, member for the County of Charlotte, N. B., in speaking last year of the spirit which pervaded the Opposition, said: "Why, the leaders of the Opposition are worse than a famous, or rather an infamous, character of whom we read in Scripture. He did a monstrous act of wrong, but he repented and brought back the thirty pieces of silver and then went and hanged himself. But these gentlemen," continued Mr. Gilmour, "don't even come up to the moral level of Judas Iscariot, and they should certainly have nothing to say here." (Loud

laughter and cheers.) But with regard to the so-called reaction, it is only noticeable in the case of counties which, like the two Ontarios, were never known to belong to one side or the other, but have been all along turning first to this side, then to that.

How some Quebec Counties were Gained.

They gained two or three counties in Lower Canada by means which no honest man will justify—by bringing the power of ecclesiastical thunders and spiritual influence to bear in their favour. I shall never be able to say that I gained an election contest by such means as those. (Hear, hear.) But it will take them a long time to reduce our majority to any noticeable extent at the rate at which they are now progressing. It is like a man standing on the banks of the mighty St. Lawrence, where there is an eddy in the stream, and when he sees a little narrow current running upwards he rushes back and tells the whole country that the mighty stream has reversed its course, and is running from the ocean, though he knows that the great flood of the waters flows steadily on, unmindful of the eddies which any petty object may set flowing hither and thither. (Loud cheers.) I do not believe it possible for the people of this country to bring about a reaction which would carry into power the men who have committed a great wrong, and even at this day boldly stand up and justify that wrong. (Hear, hear.) I can forgive the public man who commits a blunder—I think it should be forgiven—but where there has been deliberate wrong-doing, and when, four years afterwards, after the voice of the people has condemned that wrong, the perpetrators come forward and boldly justify that wrong, they have no right to demand any condonation at the hands of the public, far less a verdict of justification.

The Liberal Prospects.

In conclusion, I beg to say that, so far as my knowledge of the prospects of the Liberal party of Canada goes, they never looked better or brighter than at the present time. (Hear, hear, and cheers.) I believe we have so conducted public affairs as to banish every symptom of religious bigotry, and have reached a state of things in which men of various creeds can live happily and peacefully together under the broad folds of that national banner of which, as Canadians, we are so proud. (Cheers.) I believe the policy of reform which the Government has initiated and carried forward in every branch of the public service is one that will be sanctioned and accepted by a vast majority of the people.

Depression and Protection.

I know that some people imagine that in a period of depression the Government can do a great deal to resuscitate business and induce prosperity; but any prosperity we may have is owing, not to legislation, but to the hard work, the industry, the productive powers and energy of our people; and any attempt to bolster our manufactures by giving them an extravagant amount of protection would simply amount to the imposition of a heavy taxation on the farmer. (Hear, hear.) The farming interest is the one that sustains this country. We have already given to our manufacturers 2½ per cent. more protection than they had when we came into office in order to reach a larger revenue. I believe that if we were to give any more it would simply have the effect of limiting the amount of our importations. That would limit our revenue, and we would be obliged to resort to direct taxation in order to meet the financial wants of the country. It is impossible to offer anything like what people call protection, because it is neither our market nor that of the United States that controls the world, but that of England. (Hear, hear.) You can take your choice of selling grain either to the Americans or to England. The Americans sell grain to England; we sell ours either to the United States or England; and nothing would raise the value of grain one cent except as regards corn—and of that our farmers consume nearly the whole, except what is used by the manufacturers of whiskey. I will say no more on this question at present, as I purpose discussing it at some length on another occasion. I believe the great mass of the people do not believe that the way to alleviate distress is to impose more taxation. The idea is illogical, and cannot commend itself to any reasonable mind. Our object is to make this a cheap country to live in. The prices of what we sell are regulated by the English market, and not by anything on this side of the Atlantic. I again thank you for your kind reception of myself and my friends, and I would say as my last word to you on the present occasion, that it will always be a proud remembrance with me, that at the moment when slander and personal venom are doing their worst, the people of Lambton turned out by the ten thousand in honour of the Administration which I have led for some years, and which either I or some other member of the Reform party will have the honour to lead for many years to come. (Loud and prolonged applause.)

THE DEMONSTRATION AT NEWMARKET.

MONDAY, JULY 2nd, 1877.

Speeches of the Premier and the Finance Minister.

North York Reformers held their Demonstration at Newmarket on Dominion Day—the tenth anniversary of Confederation. In all respects it was a complete success, giving unmistakable proof of that old banner county's continued devotion to the principles of Reform. From eight to ten thousand people were on the grounds, the chair being occupied by the member for the Riding, Mr. A. H. Dymond, M.P. The speakers were Hon. R. J. Cartwright, Hon. A. Mackenzie, Hon. A. S. Hardy, and Hon. L. S. Huntington; besides whom the following members of the House of Commons and of the Ontario Legislature were present: Æ. Irving, M.P., Q.C; H. H. Cook, M.P.; Dr. Widdifield, M.P.P.; Thos. Hodgins, M.P.P., Q.C.; T. Paxton, M.P.P.; Dr. Macmahon, M.P.P.; and John Lane, M.P.P. Previous to the speaking, an Address from the Reformers of the Riding was presented to the Premier, and also one on behalf of the Reformers of East Simcoe, to which Mr. MACKENZIE replied; and at Aurora, whence the party drove to Newmarket, an Address was presented by the Reeve of the village, Mr. Joseph Fleury, both the Premier and Hon. Mr. Huntington replying thereto.

THE PREMIER'S SPEECH.

Hon. Mr. MACKENZIE was then introduced, and on rising to address the meeting was received with repeated rounds of cheering. He said: Mr. Chairman, Ladies and Gentlemen, I need not say how much pleasure it gives me to be able to address so very large an audience as is now gathered together to hear addresses from some of the public men of the country. I do not shrink from the ordeal of meeting my fellow-countrymen here or elsewhere to render an account of my stewardship as a member of the Administration. Nor did I ever hesitate when I was simply a member of the Opposition to come forward to speak freely and frankly of the public questions which at that time were the subjects of thought and discussion. (Hear, hear.) You have had throughout the country during the last few weeks abundance of public speaking—such as it is—(hear, here, and laughter)—and it is but fair that the Government whose position has been assailed, whose members have been vilified, whose administration of public affairs has been grossly misrepresented, should, in an occasional manner, find time for addressing the same people who have heard the gross attacks which have been heaped upon them.

Charges Insinuated rather than Made.

At previous meetings I have taken occasion to refer specially to the charges—or rather the insinuations—which have found a place in the addresses of my opponents; and I purpose, before these meetings are ended, to answer every charge which has been insinuated rather than made against the Government; for, as you will perhaps have observed, these gentlemen have never dared to make a direct charge affecting either my own personal honour or that of my colleagues. (Cheers.) The only person who has made a direct charge against me is now arraigned at my instance at a court of justice, when he will have an opportunity of proving his allegations. (Hear, hear.)

The Opposition Invited to Make their Charges Specific in Parliament.

I said last year that the very least that could be done by Sir John Macdonald and Dr. Tupper, after the statements they had made in their peregrinations through the country last season, was to bring directly before the House of Commons, as the highest judicial body in the nation, the charges which they seemed to prefer against me. (Hear, hear.) But, as I stated at another meeting, the session came and went, and no movement was made in the direction; but no sooner are they free from the responsibilities of their position as members of the House of Commons than they proceed to reiterate what have now become the stalest kind of slanders, devoid of even a particle of foundation in fact. (Hear, hear, and cheers.)

Opposition Expectations of Office.

I have observed that the addresses of my opponents—to which I must necessarily allude—at these meetings consist of two classes of subjects: one is the reviling of particular opponents, and

the other is the indulgence in delightful anticipation of the time when they should again become Ministers of the Crown. (Hear, hear.) They seem to think that it is a matter of the utmost solicitude to the people of this country that they should become its rulers—[A voice: "They never will!"]—that their admiring audiences are anxious for the day to arrive when a new Pacific Scandal may be formed out of the same elements which composed the old one. (Hear, hear.) They seem to imagine that the people of this country have forgotten—as if they could ever forget—the events of 1872 and 1873. They appear to think that because some admiring Tories speak of the accusations, which at that time were clearly proven, as slanders and misrepresentations, as a "gross outrage"—so one man characterized it—"on the Conservative party," that every person has forgotten that there was no slander about it—unless, indeed, one can slander these people by telling the truth of them—(laughter)—no misrepresentation; that everything was established clearly, conclusively, on their own evidence; that they retired from office sooner than face a vote in a House of their own election; that so completely had public opinion stamped them as guilty of that outrage which my hon. friend the Postmaster-General brought against them, that they quailed before the stern voice of an indignant people. (Hear, hear, and cheers.) And now they think that the just verdict which the people passed on them is to be reversed; they speak of the matter as if they were grossly ill-used. I am reminded by the remarks which they make on that crime of a story told of a certain clever lawyer and his client. The client was indicted for the crime of horse-stealing. When he was tried, the lawyer made so clever an appeal to the jury that they brought in a verdict of acquittal. After the trial was over the lawyer said to the man, "Now, Joe, that you are acquitted, tell me frankly if you stole that horse." "Well," said Joe, "I thought until I heard you address that jury that I did steal the horse, but now I must say I have my doubts about it" (Loud laughter.) These people seem to have grave doubts in their minds whether such a person as Sir Hugh Allan ever existed, and whether they ever got that additional ten thousand for which they asked; indeed they seem to think it impossible that such a thing as the whole transaction ever could have happened. (Hear, hear.) We are met here to-day to discuss political events which affect the history of this country, for we are fast making political history for Canada.

Object of Meetings.

We are met to review the events of last session. I am here to defend the actions of the Government for the last four sessions, and I venture to say that when the statements I have made at previous meetings and those which I shall make at this and at other meetings yet to be held, as well as the statements which my hon. friend the Finance Minister has made to-day, and those he has yet to make, are reported in the public press, they will cause the slanders which have been uttered against us to drop like tattered garments from those who created them for their own purposes. (Cheers.) What possible object could I and my colleagues have in doing the things which they charge against us? Would it be any object for me and other members of the Administration to enter on a course of utter political dissipation, and thus dig our own graves in the estimation of the electors of this country? (Hear, hear.) I have been sixteen years in Parliament in Opposition—as well as a member of an Administration, either in the House of Commons or in the Provincial Legislature, and during all these years, I may have been charged with errors of judgment—I may have been guilty of making political blunders which should, perhaps, consign me to a less conspicuous position than I now occupy.

A Free and Just Criticism of Government Policy Invited.

Let these blunders be pointed out—let there be a free and impartial criticism of every act of my Administration—yes, of my life, public or private—(loud cheers)—but let not myself and other members of the Government be made the subjects of a mere system of reviling, of gross slanders which have no real existence even in the heated imagination of those who utter them - (cheers) —those gentlemen who are so very anxious to fill our shoes and occupy the places from which they were driven by the indignant public opinion of an indignant country. (Loud cheers.) Still I am not very sorry that these gentlemen have made their perambulations through the country, because if we are right, the right will appear when the people have heard both sides of the story; and if we are wrong, we deserve no mercy at the hands of the electorate of the country. Conscious of our political uprightness, we court the fullest enquiry, the freest investigation into our political history. (Hear, hear.)

Tory and Reform Loyalty.

We were told last year that the members of the Administration were disloyal. They were graciously pleased to exempt myself from that charge; I was the only loyal man in the Government, in Sir John Macdonald's estimation. That is a very, very stale device on the part of our Tory friends—(hear, hear)—and reminds me of what the great Irish orator, Edmund Burke, said when the charge of disloyalty was brought against him by Mr. Oswald. He said, "I yield to no man in respect to His Majesty, in loyalty to the Throne, but I do not think I am bound to extend the same feeling to His Majesty's man-servant, his maid-servant, his ox, and his ass." (Laughter and cheers.) It is too late in the day to bring charges of that sort against the Liberals of this country—(hear, hear)—against the men who proved themselves the upholders of British constitutional liberty; the men who have brought this country to the pitch of perfection it now occupies as a civilized and well-governed country, and have enacted laws in it which command the all but universal respect and allegiance of the people. Yet we are to be treated to something of this kind year after year in order to throw discredit upon those who are Her Majesty's Ministers for the time being.

A Tupperian Representation of Times anterior to 1867.

We are to-day celebrating the tenth anniversary of the new confederated system of government. We were told a few days ago by Dr. Tupper in one of his speeches that there was a fearful time just before Confederation ; that the people of Lower Canada were staring at each other's faces, ready to spring at each other's throats. and that we in Upper Canada were also in a terrible state of commotion. I never heard so before. (Laughter.) It is true there was great difficulty in governing this country, with the population in Lower Canada so much in excess of the English-speaking population.

The Real Trouble in Government.

The people of the Lower Province having peculiar feelings, possessing laws of their own, and a different social and political system, there was some difficulty in harmonizing all the interests involved.

The Liberals first Advocated the Federal System.—Sir John against any Change to the Last Moment.

And as long ago as 1859 the Liberal party of Ontario suggested a system of Confederation of the Provinces which might have the effect of removing these difficulties. Sir John Macdonald and his Conservative allies opposed this until they were defeated in 1864, when he became a convert to the system, and we succeeded as a Parliamentary body, through his subserviency to office, in carrying it ; for he was willing to let us carry anything on the face of the earth, so long as he might thereby retain office. (Laughter and cheers.) We said to him on the occasion I have referred to, "Since you are so fond of office, stay in office, only give us the principles we want ; give us the measures and you may have the office" (Cheers.)

Tories think that we should always let them Govern.

And because we were so generous then, they think we should do the same thing now, when they have nothing to give us but what we have already. You have no doubt followed the course of the discussions during the last four sessions in the House of Commons. And you have no doubt followed it also in our Canadian House of Peers—the Senate.

The Senate a Strong Tory Aggressive Machine.

You know that the Senate is filled by appointments by the Government. Most of you are aware that since the formation of the Senate 31 appointments were made to it by the late Administration, every one of them but two being their own political friends. You are aware, doubtless, that the Senate has been used, for the last two sessions particularly, as a political engine of the most effective character, so far as they can make it so, in assaulting the Government. You are aware that the Senate, instead of showing itself a thoroughly independent part of the Government machine, has allowed itself to degenerate into being a mere political weapon in the hands of those who gave it existence. I don't complain of that. I simply point out the fact.

Tories very mild in the Commons, where they have no Power.

The Administration were too powerful in the House of Commons to permit any unfair advantage to be taken of it there ; and as they could not assail us in the popular branch of the Legislature, to which the people themselves sent their representatives, they made their assaults upon us in the Upper House, where our representation was so small as to be practically powerless in stemming the torrent of attack which they set loose upon us there. In the session of 1874, immediately after the general election, when we had a majority of between 70 and 80, these gentlemen were as dumb as you please ; they had not a word to say ; they were afraid that we would bring up their political crimes as means of attack.

Never was Desirous to Revive the Shame of the Pacific Scandal.

I never did that ; and at this moment I would not care even to discuss an event which cast so black a cloud over our political horizon, which dimmed Canadian patriotism, and told to the whole civilized world that we had a class amongst us who cared nothing for the honour of their country, provided they subserved their own personal and party ends. (Hear, hear.) I say I would not enter upon the discussion of that event, or refer to it, but for the fact that these gentlemen themselves constantly refer to and endeavour to justify the Pacific Scandal. What has been their course ever since? In 1874 and 1875 we had no assaults upon our policy.

Railway Act of 1874 Approved by Conservatives.

When I introduced the present Pacific Railway Act, it passed through the House absolutely without the alteration of a single word or syllable—without the addition of even a comma to its contents. Within the last two years that policy has been attacked with the utmost virulence. We are accused of adopting a different policy with regard to the Canada Pacific Railway from the one we adopted when we took office. Suppose we do. I am adopting the policy we are driven to from circumstances. I would adopt the policy of driving along the grass sooner than ruin my horse and waggon by driving along the clay; and if I saw somebody ahead of me who came to grief in the mud, I would be a fool to follow him. (Hear, hear.)

Sir John's Pacific Railway Policy.

They committed the Government to a promise to British Columbia to build the road in ten years. We have now only four years more in which to redeem that absurd promise. [A voice : "How are you going to get out of it?"] Well, you will be surprised to learn how well we will. That gentleman doubtless supposes we have no resources. That is exactly what our opponents believed.

Tory Belief in Reformers' Inability to Govern.

They believed and prophesied that I would not be able to carry on the Government from the first; that they would be back into power in six months, because the Liberals were unaccustomed to government, and I would be unable to control my followers. But one session and a second passed away, and they were not able to assault a single measure. The third session began, and then they commenced to show their teeth. The thing was getting serious. (Laughter.) They determined to precede the fourth session by a pilgrimage through the country in order to give zest and force to their Parliamentary assault.

Tories now Attacking what they formerly Approved.

We found them attacking the very things which they previously approved of. I was able to show at Kingston that Dr. Tupper cordially approved of the policy which he is now assailing. In one of his speeches he admitted that the late Government had made an improvident bargain, and now he asserts they made no bargain at all.

Tupper Denouncing now the Railway Policy.

He declared last session that our course with regard to the Pacific Railway was a most extravagant one, and that we had no right to assume that they ever intended to build the road in ten years, notwithstanding the bargain they had made. (Hear, hear.) I said that up to that hour I had believed that when a man or a Government said they would do a thing, or bound themselves by a solemn bond to do it, they would have to do it. (Hear, hear.)

Tupper never meant to keep Promise to Columbia.

Now he tells us that they never meant to do it, they were not bound to do it, and that we are acting a shocking part in attempting to do it. But to mark the utter inconsistency of these people, let me point to a speech of Sir John Macdonald's the other day. Dr. Tupper declares in the House that we are guilty of extravagance in doing what we are doing in trying to build the road. Sir John, on the other hand, says that if he had been left in power, or could get into power, the Pacific Railway would be built immediately, and everybody would get all the work they wanted. (Hear, hear. and laughter.) That is the course they regularly pursue: there is not a particle of their present ground of attack which is not in direct antagonism to their previous convictions—if they ever are troubled with such things as convictions—and their repeated assertions.

Steel Rails.

You know what railing accusations—steel railing accusations, I should say—(loud laughter)—they bring against my Department, for they are not quite so particular about their mode of attack as a certain character mentioned in Scripture was. I have asked them time and again to specify some particular point on which they wish to make a charge of wrong doing against me. Let them assert that any Minister, any member of Parliament. or any connection of any Minister or member of Parliament had anything to do with any expenditure of Government money. and I shall give the assertion a direct contradiction and challenge them to prove it in a court of justice or before the House of Commons, just as they please. (Loud cheers) I feel that not only is the political welfare of the Liberal party in the hands of myself and my colleagues, but the honour of the whole country. (Cheers) I am bound to say to the people of British Columbia as well as to those of the other Provinces of the Dominion, that we are doing everything in our power at once to respect the bargain made with British Columbia and keep faith with the people of the older Provinces of the Dominion in telling them that we shall do nothing that will impose an enormous burden of taxation on the people at large. (Cheers) That is the policy which we have cut out for ourselves, it is the policy we have so far adhered to, and it is the policy which was thoroughly approved of by Dr. Tupper at one time and condemned by him at another, when he found himself driven to straits. So with everything else.

The Tariff Policy 1874 and 1876—"National Policy."

Mr. Cartwright has told you how Dr. Tupper denounced us in 1874 because we raised the tariff, and in 1876 because we did not. In 1870 he denounced everybody, because we did not impose a duty on coal, wheat, and other cereals. In 1871 he voted to abolish the very law he had been so industrious in promoting; he committed the shocking crime of infanticide—he killed his own child, and then trampled the creature in the dust. (Hear, hear, and laughter.) We are asked to give way to such men as these (Cries of "Never.") It may be true, as the Doctor says, that the Finance Minister is, compared with some people, a bungler; that I am a signal failure in the Public Works Department; but we are both willing to leave these questions to the judgment of the people rather than to the *ipse dixit* of the member for Cumberland. (Hear, hear, and loud cheers.)

George Brown and the Government.

It may be true, as the Doctor's chief avers, that I am merely upheld by George Brown, and that the moment George Brown falls I must fall. It would almost seem, according to their statements, that Mr. Brown travels around with us like our own shadows. I have not the slightest doubt that the fertile imaginations of the Tory leaders could see at this moment the figure of that grand Reformer—(loud cheers)—standing behind me and whispering into my ear. (Laughter.) These people have a mortal dread of the great journalist of Canada. (Renewed cheers.) They know from what took place in this country years ago what that same George Brown can accomplish with tongue and pen. (Hear, hear, and cheers.) And, sir, whenever a fit of political ague seizes them they see George Brown standing like a nightmare before them. (Cheers.) His very name is a source of terror to their ranks; and they think they belittle me

by telling the public that George Brown runs the machine. I only wish he were ; no one would be more delighted than I to recognise my old and able leader, who battled so long and so well for popular rights in this country, in the highest place which the Canadian people could give him. (Loud cheers.) Such utter folly as these men talk could only be perpetrated by persons who believe the people of Canada are a set of idiots. (Hear, hear.) Mr. George Brown is not in the House of Commons ; he is not on this platform, and it is the merest trifling with public sentiment to be wandering away from the proper subjects of political discussion to assail individuals who are not before the country, but who exercise a beneficial and righteous influence in their own particular way on public events in this country. (Cheers.)

Sir John on Laflamme.

At some of their recent meetings, Sir John spoke with a great deal of knowledge, and a great deal of violence, of certain of my colleagues. He says regarding Mr. Laflamme, the Minister of Justice :—"There never was such an outrage as his appointment to that high office. Mr. Laflamme was a sharp attorney of Montreal, a man who had never taken a place as a *juris-consult* since he had been born, a man who had been denounced by a judge in England as having induced his client to make a false affidavit. Then there was the Lachine Canal job in which Mr. Laflamme was shown to have been guilty of fraud. Not only that, but his election was being contested on the ground of personal corruption ; he had admitted the charge of corruption, but the charge of personal corruption was now before the Courts." It is almost incredible that a man who has occupied so distinguished a position as Sir John Macdonald has occupied in this country, should commit himself to a statement so far from the truth.

Sir John Asserts that no Colleague of his ever Obtained an Office! Ten so Appointed since 1867.

He stated the other day, with regard to his own late colleagues, that he had no recollection of one of them who had been a member of the Administration and who afterwards accepted an office of profit under the Crown. My hon. friend the Finance Minister pointed out at Kingston that no less than eight or ten since 1867 had become Lieutenant-Governors and judges in the course of five years, while we have had six such appointments in the course of five years. He appointed at the rate of two per annum, and we at the rate of one and one-half. Now he seeks to assail a learned gentleman who happens to be my colleague, one with whom he has sat in the House, and who is represented by all the lawyers in Montreal as one of the first men at the bar of that Province.

Laflamme and the Lachine Canal "Job."

He assails him in the coarsest and most vituperative style, and asserts that he was mixed up in some job about the Lachine Canal. That is, to use the plainest Saxon, a gross falsehood from top to bottom. (Hear, hear.) He never had anything to do with a job, or anything of the sort, in connection with the canal. He was guilty, as many Conservative gentlemen were guilty, of owning some land through which the canal had to pass, and he had the good taste never even to speak to me, when he was a private member, about the valuation of this land. Valuators were appointed to go and value the land according to the best of their judgment.

Darling and Valois Valuators on Lachine Canal.

No one has presumed to assail the valuation of the land, which was conducted by Mr. Darling, an old-time Conservative, and Mr. Valois, a respectable French gentleman of Montreal. But because Mr. Laflamme had the misfortune to own some land on the canal, for which the valuators allowed less than one-half what it cost him, they asserted that he was trying to impose on the Government. They started this story and got it retailed in their newspapers, and then they began to speak of it as the "Canal Job," just as they did about the so-called "Goderich Harbour Job," when there is not a single particle of jobbery or dishonesty in it—not the shadow of moral wrong. (Cheers.)

Sample of a Previous Prime Minister.

This is a sample of the way in which a gentleman who was once the Prime Minister of this country maligns his opponents for the mere purpose of making political capital. Does he imagine that the moral understanding of the people of Canada has got down to the same level as his political tergiversation ; that it is possible for those who read the newspapers and are familiar with the debates in Parliament to accept the merest statement of any man when he assails so grossly the character and standing of an individual, and that individual occupying the high position of Minister of Justice in this Dominion ? (Hear, hear, and cheers.)

Tory Weapons Assailing Personal Character.

If the time has come—as they seem to think—when it is fair to assail the fair fame of every man in public life, to misrepresent actions, and manufacture charges when they cannot find them, then it is indeed time that the people of this country consider what they are to come to if such a species of attack is to be permitted. (Hear, hear.) I regret exceedingly having to refer to these matters in the strong language I am compelled to use. I loathe the nature of such attacks, and shall avoid, as far as it is possible, that species of attack and that species of defence which it is necessary to adopt if I am to expose the full misconduct of those to whom I refer.

Independence of Parliament Act—Anglin.

Sir John has also at some of his meetings assailed the Government because, as he says, they violated the Independence of Parliament Act. You know the circumstances connected with Mr. Anglin's affair It was not a contract, but simply the printing of certain documents sent him by the Postmaster-General. When we came to know it we at once said, "No doubt it is

wrong that anything should be done with a member of Parliament that could be said to be of the nature of a contract, and we immediately stopped it. (Hear, hear, and cheers.) That was a year and a half ago. Nothing was said about it in 1876; they waited until last session, though it was all over a year before.

Mr. Bowell, Anglin's Accuser, a Violator of the Law.

It is now known that Mr. Mackenzie Bowell, who made the attack on Mr. Anglin, had been guilty of exactly the same thing himself with the late and the present Administration. (Hear, hear.) He received in the course of a few years well on to $1,000, while sitting as a member of Parliament supporting Sir John's Administration.

Currier, Stevenson and Sir John also Violated Independence of Parliament Act.

Another gentleman, who has been a supporter of Sir John Macdonald for thirteen or fourteen years, Mr. Currier, was continuously, from 1867 to his resignation last session, a contractor with the Government. Mr. Rufus Stevenson, the Conservative whip, was also in the same sense a contractor with the Government, It turned out, too, that Sir John Macdonald was a contractor with himself. (Hear, hear.) He employs the firm of Macdonald & Patton—one of its members being Sir John A. Macdonald and the other Hon. James Patton—to do Government work, and Sir John A. Macdonald, Premier and Minister of Justice, pays Sir John A. Macdonald, lawyer, for that work. Yet he has the assurance to assail members of the present Government for having caused this state of things.

Members should Avoid Business with Government when that is Possible.

There can be no question that members of Parliament should scrupulously avoid any kind of transaction by which Government money can by any possibility reach them. I know there is nothing in the minds of those who received these moneys which leads me to think for a moment that one-half of them knew that the trifling sales they made to the Government were ever made at all. They accused Mr. Workman, of Montreal, for example, because he sold some $273 worth of goods to an officer of the Government unknown to me, and consisting of articles which they could not get elsewhere. Why not represent the matter fairly?

Sir John and the Indemnity Bill—He Acquiesced in it.

Why say as Sir John did the other day in one of his speeches, in regard to the Act which I introduced and passed last session to relieve from penalties those who had unknowingly been engaged in such transactions? Sir John says:—"Before that Bill was introduced, it was placed under his (Sir John's) hands, and he was asked to second it, because some of the friends of the Opposition were said to have unwittingly come under the law. Mr. Mackenzie Bowell, who was the owner of a newspaper, was said to have been paid by the Government a subsidy to the extent of six and threepence, and that he had forfeited his seat. He (Sir John) declined to second the Bill or to support it, and Mr. Mackenzie went to Dr. Tupper, who also declined. But, after Dr. Tupper and he (Sir John) had told Mr. Mackenzie that they would not support the Bill, he (Mr. Mackenzie) introduced it and carried it." It is quite true, as Sir John Macdonald says, that he and I had some conversation about it—though I understood that conversation to have been private, and I never made use of it in public—but as he has chosen to stamp the whole thing as a malicious lie, I will tell you exactly what passed. I asked Sir John Macdonald, as leader of the Opposition, to have a conversation with him about this matter. I pointed out that there might be a dozen members in the House—we knew of a few—who might possibly be subjected to a penalty of £500 a day for every day they retained their seats. and I suggested that it would not be wise to pass a Bill granting an indemnity to members, but which need not in any way affect their seats, this being a matter for settlement by the law. Sir John Macdonald said he entirely approved of such a measure, and he asked me to prepare a Bill in this sense, and he would see his friends. I saw Dr. Tupper before this, and he promised me his hearty support to the Bill. I prepared the Bill in accordance with the understanding to which Sir John Macdonald and I had come, and I sent it to him to look at. He sent it back without a word of approval or disapproval. I afterwards sent him a note asking him if he was prepared to second it, it being, so far as principles were concerned, a joint effort of his and mine. His note in reply was that he could not second it, as most of his friends were opposed to it. I next sent to Dr. Tupper, and he replied that he approved of the measure, but as his friends were divided on the question he could not second the Bill. I do not say he approved of the Bill formally after I gave him a printed copy, but I do say he agreed to the policy which was foreshadowed before that Bill was printed. Another accusation Sir John Macdonald made is this:—"Gentlemen, there is not a more shameless system of bribery than that which has been carried on by the present Government, whether it be by buying up men by giving them contracts as in British Columbia, or by buying them up by office as in Prince Edward. In every Province you will find the most unblushing system of corruption directed against the representatives of the people. It is bad enough to buy a vote, but when the Government sets to work deliberately to corrupt the whole representative body, to seduce the representatives of the people from their duty by offering them inducements, there is a blow struck at the very basis of representative institutions—and that blow has been struck by the present Government."

Sir John's general Accusation of Buying Members should be made Specific.

No language could be too strong to denounce such a statement as this. I recollect reading an incident related of a man who was known to be a very profane swearer. He was taking a load of pumpkins up a long hill, when some boys came up from behind, took out the tailboard of the waggon, his horses sprung forward, and he looked back to see all his pumpkins rolling down

the hill. He sat speechless, and the boys said, "Why don't you swear?" "I can't; why no language can do justice to the occasion." (Loud laughter.) No language, I say, can be put in the mouth of man to denounce so shameless a piece of political profligacy—to denounce such a speech as that from a gentleman in his high position—a statement so scandalous in its conception, so infamous in its utterance. (Hear, hear.) Let him name a member or a man who, as he says, was bought by the giving of a contract. Surely he does not refer to the case of Mr. Anglin, for, as every one knows, I had no firmer and few abler supporters in Parliament than the member for Gloucester from the moment I first took office. We had worked together in almost everything since I sat in Parliament; and it is a curious thing if one is to be obliged to buy one's staunchest friends.

Mr. Anglin's Position.

Mr. Anglin is known as a distinguished member of the Roman Catholic Church, as the editor of the *Freeman* newspaper, one of the ablest journals in the Dominion, and an independent supporter of the Government. It will be remembered he spoke in the strongest terms of condemnation on the famous Argenteuil speech of my hon. friend the Postmaster-General—such was not the case with a very large number of those sitting opposite the hon. gentleman. Mr. James Domville brought a charge against the Minister of Customs that he sold goods to the Government—a charge which was wholly untrue. When I came into office I found this same James Domville had a contract for delivering railway spikes on the Intercolonial at $96 per ton, although I was getting them delivered a few months later on the Pacific Railway at $54 per ton. Yet James Domville, like Sir John Macdonald, had the assurance to bring this accusation and to make these gross attacks against honourable gentlemen on my side of the House. Sir John last year declared that no Conservative could get a contract—that, no matter who was the lowest, it was taken from him and given to a supporter of the Government. A statement with less foundation in fact could hardly be imagined. I have endeavoured at the other meetings which I have attended to deal with specific charges made against the Government, and as I have stated at these meetings, it is my intention to go over these charges one after the other, so that when reports of my speeches are published, they will form, I hope, a very conclusive answer to most of the attacks made upon us by the Conservative orators at their meetings.

Public Tenders—How Dealt with by Tory and Reform Governments.

I have given data to show that while we passed over less than one-sixth part of the amount of the lowest tenders sent in to us, they, for the three years they were in office, had passed over two-thirds of the lowest tenders. This will show you how scandalous and untrue is the position of affairs with regard to contracts as stated by them. You will find in reference to all the other charges and insinuations they have made, that there is the same conclusive answer.

General Questions of Policy.

I should have liked at meetings like the present to deal with great questions of policy, to forecast the future of the Dominion, to refer to our present political system and to what I consider has been its grand success—to congratulate ourselves, on this the anniversary day of our Confederation, upon the fact that that system has resulted in the practical equality of every Canadian, which was not enjoyed before 1866—

The New Political System.

—a system which gives to Ontario and all the other Provinces the complete management of their own affairs. At the same time we have undoubtedly very serious difficulties to contend against, with a vast territory to govern, which we are practically unable to enter upon at the present moment.

North-West Territory.

Lieutenant-Governor Laird governs a country as large as the whole of Siberia, perhaps the largest territory governed by any single man, and that country has to be settled and its latent resources developed. We can invite all the nationalities in Europe to combine with us. We have now Germans, Icelanders, besides people from England, Ireland, and Scotland, pouring into that country. So with many other great questions affecting more or less the whole of the people of this country. All such matters might fairly be discussed in very long speeches were it not that we are compelled to attend to these false charges in order to dissipate in the minds of all the belief that there was a shadow of truth in any of these things that affect the personal honour of Ministers or the political character of the Administration. I would urge on you to continue your services in the cause of Reform—services long ago acknowledged by all Canadians in relation to the distinguished men you have hitherto sent, and to continue to support the gentleman who now represents you, and who has been a warm friend of the Administration, and a zealous member of Parliament in relation to all the business that comes before the House. I allude to Mr. Dymond.

Milling and Agricultural Interests and Protection.

A friend sends a note to this effect:—"Explain why the milling and agricultural interests are not receiving that attention in the tariff that their position demands." I don't know that their position does demand it. I do not even think it is possible for the Government to give protection, but I do say this, that if the Government could protect and make everybody rich, without making any one poor, we would be very happy to do it; and if any one shows me how one man is to be made rich without taking money out of another's pocket I shall be very glad to do it. It is the markets of England that regulate the prices of the great staples that we grow, and our people can sell their peas to England or the United States as they choose—they will sell wherever they get the best prices; but now you cannot impose any protective duty

on articles coming into this country that will raise prices, when the prices here are regulated by the prices in England. It cannot be done. It is quite true that in one respect the miller might be benefited, as we supply the great bulk of the flour to the mining regions of Nova Scotia; we might compel them to take our flour at higher prices by preventing them from buying from Portland or Boston. But this could not be done without inflicting an injustice on those people. (Hear, hear.)

Coal and Grain—Different Speeches from Opposition in Different Places.

Perhaps you will feel disposed to take Dr. Tupper's panacea—that is, the imposition of a duty upon American coal coming into Ontario, and thus force Nova Scotia coal up here. Dr. Tupper has been speaking at London and other places where they use a great deal of American coal, but he had nothing at any of these places to say regarding a duty on coal. He said a good deal, however, about a duty upon grain. He will go down to Nova Scotia, where he will avoid saying anything about a duty upon flour, but he will enlarge upon a duty upon coal. (Hear, hear, and laughter.) The difference between him and me is this, that I am not afraid to say the same thing at one place as at another—(cheers)—while he is like a certain western orator who was delivering a speech in a place which was rather doubtful in its political complexion. At the conclusion of his address he said, "Gentlemen, these are my sentiments, but if they don't suit you they can be changed." (Laughter.) I have not time at present to discuss this protection question as fully as I would like, but I may say generally that there has been a cry from the manufacturers for a higher duty than 17½ per cent. Mr. Thomas White, one of the principal protection writers, declared that 15 per cent. was high enough, and that any man who was not contented with that did not deserve any. We thought we could raise more revenue—and my hon. friend told you we required more—by increasing the duty by 2½ per cent.

A Protective Policy would Destroy Revenue and Require Direct Taxation.

The manufacturers demanded more, but were refused because we believed that it would not yield as much revenue, and if we did not raise the revenue we required from customs and excise we would be obliged to resort to direct taxation. We might impose a duty that would exclude every piano, every sewing machine, and all other manufactures, but the result would be a total loss of revenue and a consequent imposition of direct taxation. (Hear, hear.)

Working Men to Protect.

I see you have a motto here, "Mackenzie, the workingman's friend," but I would like to know what motto would apply to me if I should, by carrying out protection for its own sake, by carrying out the policy of protection, make the rich man richer and the poor man poorer—for that is, after all, just what it means. (Hear, hear, and cheers.) If everything else is to be protected labour must have its share, and I will be obliged to nail up a notice at every frontier town and every seaport, and say I am bound to protect the working men by preventing immigrants from coming in and competing with them and thus reduce the wages. (Hear, hear.) According to those who are so loud in their cry for protection, everybody is to be protected but the working man, and he is to pay for the protection of the rest. (Hear, hear,) Some of these orators go to the country districts and urge the farmers to cry for protection. They say "The Yankees impose a duty on our grain, why should we not impose one on theirs?" There is no reason in the world why we should not, except the rather important one that if we did we couldn't get it. (Hear, hear, and cheers.)

Yankees to be Taxed if we can.

Does anybody imagine that if I could get the Yankees to pay our taxes I would not arrange the tariff to do it? Does anybody believe that the Americans who merely send their grain, etc., through our canals, would pay a duty merely for carrying it through Canada? They have channels of their own, and it would benefit nobody and injure many, and especially those in the Lower Provinces who depend on us for trade, as we have to depend on them for other articles.

A Farmer's Testimony.

My friend Mr. Rymal, who is a farmer himself, and a good one too, tells a story in illustration of this question. He had fifty bushels of barley to sell, which he took to Hamilton and sold for $1 50 per bushel to the Yankees, and bought a hundred bushels of corn at 50c. He took back twice the amount of feed for his animals that he took away, and $25 in cash besides. Now, those people who are crying for protection would prevent Mr. Rymal from making money in this way, as if every farmer does not know well enough how to make money! (Hear, hear.)

The Fat Cattle Trade.

Another farmer says:—"I import so many cattle from the West. I bring in corn to feed them, and send the beef to England. Why don't you allow me to import these cattle without duty? I make the trade for your steamships, and as I cannot get cattle in Canada I must therefore import them." But trade must be cramped, and every avenue of profit in buying and selling closed, in order to affect these people by protection.

Manufacturers have now a Large Protection.

The truth is, that manufacturers now have a very respectable protection, if they choose to call it by that name. We call it a revenue tariff, and I tell you every tariff imposed for purely protective purposes would be paid by the farmer who has no protection and cannot have it. (Hear, hear, and cheers.) It is merely begging the question to say that they are to be protected also. It cannot possibly be done. Several years since we had a duty on grain for one and a

half years, but I would ask any one here if he remembers how much he got out of it? We had it in operation for a year and a half, and it brought in some $80.000, but this was collected from people who did not know that there was a duty, and next year it would have brought in no revenue at all.

No Class Legislation.

Let us have legislation of a broad and generous kind, which will recognize all classes of the community; let us not seek or admit anything in the shape of class legislation. Look at the speech of Mr. Evarts, Secretary of State in the adjoining country, the other day, wherein he frankly admits that protection was ruining their trade. At one of the late meetings of the Cobden Club in London, at which the American Minister was present, one gentleman said he had visited the port of London that day, and there was not a single representative of the Stars and Stripes in that harbour. This is one of the effects of protection as a principle. A certain amount of duty we must have in Canada in order to raise our taxes. We have to have revenue, or the alternative of direct taxation, and perhaps the people of North York would like to see a Dominion collector going round from door to door collecting taxes for the purposes of the Federal Government. I don't say that legislation might not be initiated that would benefit the millers, but it would be to an almost inappreciable extent. It would do them no good, for what good they got in one way they would pay in another, plus the cost of collection. I do not intend going into this matter more fully, as my friend Mr. Mills, who is a farmer himself, and has given great attention to it, will take up the question at one of these meetings shortly. I wish to thank you again most heartily for the kind manner in which you have received me, and to assure you that it will give me a great deal of pleasure to be present at another such meeting if circumstances will permit me to attend. (Loud cheers.)

A Resolution of Thanks and Confidence.

Mr. M. Jones moved, seconded by Mr. Joseph Stokes—

"That this meeting desires to return its sincere thanks to the distinguished members of the two Governments and invited guests who have favoured North York with their presence to-day, and to express its full and continued confidence in the Mackenzie and Mowat Administrations."

The resolution was greeted with cheers, and carried unanimously.

THE FINANCE MINISTER'S SPEECH.

Hon. Mr. Cartwright was received with loud cheers. He said—Mr. Chairman, Ladies and Gentlemen, it may be true enough, as the chairman has just said, that but few of the present audience have heard me speak, but I think I may truly say that most of you have heard of me, and perhaps a good deal of what you have heard of me has been somewhat to my disadvantage; and that is one reason why I have embraced with great pleasure this opportunity of assisting in the vindication not only of the Government of which I am a member, but more particularly in my own vindication against the charges which have been scattered over this country and—though in a much milder form—repeated within the walls of Parliament. I believe that perhaps, after all, such assemblies as the present afford Ministers far better opportunities for a full and frank discussion of those great questions of public affairs, in which all take an interest, than ordinary Parliamentary discussions. I am aware that it is not the view always adopted by public men, but in my experience in Parliament I have found that the great diversity of subjects which we are obliged to discuss, and the irrelevance which is necessarily imported into our discussions, not unfrequently render it difficult for any except old and experienced public men to trace any particular subject through all the meanderings and wanderings it is obliged to follow in the course of a debate.

A Bitter Political Contest.

Now, I need hardly say to an intelligent audience like the present that everything points to the fact that the approaching political struggle will be one of unparalleled intensity and bitterness. It is quite clear that the Opposition are determined by every possible means, whether foul or fair, to win back the places which they dishonoured five years ago. (Hear, hear.) It is quite clear that there is nothing that they will stop at in the way of misrepresentation, nothing that they will not have recourse to, if they can thereby win public favour to their side. It would seem that a veritable political Armageddon is impending; and although these gentlemen who are now prowling up and down Ontario may not be able, like their spiritual prototype, to succeed in deceiving the very elect, certainly they will lose no opportunity of deceiving the electors of this Province. And inasmuch as they have made certain special charges against the Government, it was just as well that an opportunity should be taken to meet these charges, so that every one choosing to examine into the evidence on which they were founded, and the answers which we shall give them, may be able to see clearly which of the two parties is best entitled to be believed by you and the electors of the country at large.

Policy of the Opposition.

Now, there is one thing remarkable in the attitude of the Opposition at the present time. They do not, because they cannot, come before the people of this country professing themselves to be pure or upright men. On the contrary, they are utterly unable to deny that they have committed many grievous errors—that they have done many things which have brought down the just indignation of the people of Canada on their heads. Their one plea and argument is that if

the people could only find out the truth, my hon. friend the Premier and his colleagues are not one whit better than they. Now, if this be true—if it be true that Canada is reduced to the degrading position of having to choose between two sets of knaves under different colours—then I say your duty is not to replace men whom you know on their own confession to have misused their places in order to accomplish their private ends ; not to restore to a new lease of power the present First Minister and his colleagues, but to wash your hands of both of us. No problem is more hopeless, as was well said by Mr. Carlyle, than that of educing an honest policy out of the joint action of a community of knaves ; and if, as these gentlemen say, all our leading public men are so steeped in corruption, it is your duty, as it is your right and privilege, to choose from among yourselves honest men who will fairly and faithfully administer the government of the country. (Cheers.) I come before you putting forward no such vile plea as that. I say that although the present Ministry are not infallible ; although they may have committed mistakes, as every man is liable to do ; although under circumstances of great difficulty they may not have always been able to choose the best and wisest course—though it may be that the course which we honestly believed to be the best and the wisest cannot be proved to be so—yet we do claim that on the whole we have honestly administered the affairs of our country ; we come before the electors seeking their support on the ground that we have done the best we could, and that that best, though not perfect, yet is as good as could reasonably have been expected. (Loud cheers.)

An Old and Stale Trick.

It is an old and rather a stale device when men have been charged with a particular crime that they should seek to direct attention from the subject by accusing the men who have brought them to justice of similar offences. (Hear, hear.) If men proved guilty, on their own confession, before a Commission appointed by themselves, of the gravest corrupt practices—if men who, at the same time, have been proven by the most incontestible evidence to have been also guilty of the grossest extravagance, and who furthermore by the unanimous verdict of the country have shown themselves (in many important matters) incompetent for the proper discharge of their duties, should again present themselves as candidates for your favour, there is nothing more natural than that they should seek to divert your attention, should seek to turn away your minds from the consideration of the offences they committed, by charging their successors with precisely similar crimes. And that is exactly what has been done, and what is being done now ; in that consists the whole real policy of the Opposition of this country. (Hear, hear.)

A Special Charge.

There is one special charge to which I purpose specially directing myself, which they have taken every opportunity of bringing against this Government. Knowing that on many occasions we have proved them to be guilty of very great extravagance, they retort on us by saying that we also are extravagant, incompetent, and corrupt. On the floor of Parliament they have attempted again and again, but they have signally failed to prove these charges ; but in these pic-nic orations, when they are left to themselves, and no speaker is allowed to address the audience on our behalf, they are constantly repeating charges which have been already disproved. I must ask your indulgence if, in reviewing this charge, I must necessarily inflict on you some tedious arrays of figures and facts. This is unavoidable ; for though it is very easy to make the most sweeping charges, to refute them in detail will require some considerable demand on your time and attention. Probably, gentlemen, of all the charges which the Opposition ever preferred against the Government, this, as being the most unfounded, is the one which they take most delight in repeating ; and certainly to any intelligent audience, to any assembly of Canadians who are even superficially acquainted with the financial history of Canada for the last twenty years, it must seem a monstrous piece of impertinence in these gentlemen, possessing such a financial record as theirs is from 1867 to 1874, or, still worse, from 1855 to 1867, to dare to advance such a charge against any man or any Government. (Hear, hear.)

Leading Facts.

There are two main facts connected with those gentlemen's proceedings which I would trouble you to bear in mind. When they took office in 1867 they found the annual average expenditure of this country to be something like *thirteen and a half millions,* in round numbers. When they retired from office in 1873 they had committed this country to an annual expenditure of *twenty three millions three hundred and sixteen thousand dollars,* being as nearly as possible an increase in little more than six years of *ten millions of dollars* on the whole of the *ordinary expenditure* of the country.

Additional Liabilities Incurred.

But that was not all, because they had at the same time incurred further liabilities amounting to no less a sum than nearly *three millions additional* to the $23,316,000 already mentioned. Lest there should be any doubt as to the accuracy of this assertion, I will give in detail the several sums which go to make this additional amount of three millions of dollars of liabilities which they incurred, but which had not then become part of the permanent charges on the revenue. In the first place, over and above the total expenditure of 1873-4 there must be added to the interest on the public debt the sum of $225,000, being the second half-year's instalment of interest on Mr. Tilley's loan contracted in September, 1873, which did not enter into the public accounts of 1873-4, the money having been borrowed so late in the year that only one half-year's interest could be charged against that item.

Before proceeding I may as well observe here that I am not necessarily condemning those several expenditures, but I am simply pointing out to you the position in which they had left the finances of the country when my hon. friend the present First Minister assumed power. To re-

sume my analysis. They had also entered upon a system of Indian treaties with the Indian tribes of the North-west which have involved an additional expenditure of $200,000 per annum. Further, they had created a Mounted Police which, if maintained at the footing they had fixed, involved a further expenditure of $150,000 in round numbers. They had provided in the statute book for, and had expended, a considerable sum of money in preliminary steps for organizing a system of weights and measures, which the present Government found themselves bound to carry out at an annual cost of $100,000. They had passed two Acts regulating the statutory *increase of salaries in the Civil Service* and the mode of superannuating civil servants, whereby a considerable annual addition to the public expenditure was necessarily incurred, the amount probably averaging some $25,000 a year, or amounting in the three years of which I am now treating to some $75,000. A very large portion of the Intercolonial Railway had not been finished, and as the present Government had to provide for the working of that railway, it is quite clear that to the gross expenditure of 1873-4 there will have to be added from three to four hundred thousand dollars for the working expenses of that portion of the Intercolonial Railway which was not then in operation, but which has since been completed. Then by the terms of the treaty with Prince Edward Island, they had provided that the Government should also work the railway on that island and maintain the steam communication between the island and the mainland, by which a further charge of $250,000 over and above the charges incurred up to the end of 1874 must be added to our annual expenditure. Lastly, they had entered into such numerous contracts in connection with the Welland and Lachine Canals, for the completion of the Ottawa Canals, for the completion of public buildings and a great variety of other works which I need not enumerate, that the sum of from twenty to twenty-five millions of dollars was required in order to discharge the engagements they had entered into, in respect to these works, in the short space of three years from the time they left office, and that too without providing to any considerable extent for the most serious one of all, the cost of constructing the Pacific Railroad. In other words, they not only raised the public expenditure ten millions of dollars within six years, but they also left behind them debts and liabilities requiring *a further outlay* of $2,675,000 per annum before we could pretend to say that we had made provision for discharging our positive obligations.

Record of the Present Government.

Now, in three years from that date, how stands our record? I am giving you, I may say, these figures in gross at present, but I will go further into details in a few moments. I shall include the year which expired yesterday, and though I am not in a position to give the exact figures —though I speak under correction, and may be astray to the extent of a few thousand dollars, I venture to say that we have defrayed all the charges which these gentlemen defrayed; have defrayed this additional $2,675,000 of liabilities, and in addition have provided for other services of importance, which I shall enumerate presently, and yet we have done all that without adding, at any rate, *more than three or four hundred thousand dollars* to the sum total which these gentlemen had incurred when they left office. But what of that? I may prove that these gentlemen increased the ordinary gross expenses of the country from thirteen and one-half to twenty-three and a half millions in the course of six years, and in going out of office left nearly three millions a year more unprovided for; but this if done by them is set down as a proof of administrative talent, while it is a mark of the grossest extravagance for my hon. friend the First Minister and his colleagues, no matter under what circumstances, to have caused an increase in the public expenditure by $300,000 or thereabouts in three years. That is the charge against us. We have actually expended one-tenth part of their contingent liabilities and saved the balance, and they are horror-stricken at our wastefulness! I will examine the grounds for making this and other charges, and leave it to you to say if these men are the men who should bring forward such a charge against this or any other Administration. You will please remember that I am now speaking of the year just closed —that is, the financial year 1876-7. I will presently discuss and compare our expenditure for the year 1875-6, to which these gentlemen have very naturally chiefly directed their attack; but I desire to impress upon your minds this simple fact, that whereas these gentlemen, under various pleas more or less valid, had found themselves compelled to add *ten millions absolutely, and thirteen millions, including contingent liabilities*, to the average public expenditure, being at the rate of nearly *two millions a year* during the term of their administration, we in three years have added only $300,000, although we were obliged to provide for an absolute increase of three millions as a legacy bequeathed us by our predecessors. Perhaps you will understand better still how far we are liable to this charge if you place on one side those two great items of subsidies, public debt, and sinking fund, and the ordinary charges on revenue, and confine yourselves to examining our respective expenditures for ordinary purposes. On doing this, you will find that this extravagant Administration had in those three years *cut down the general public expenditure* over which a Ministry can fairly exercise control from about *eight and a half millions* in 1873-4 to very *little over seven millions* in 1876-7, that being the sum which will probably be found to equal the total expenditure for the year which terminated yesterday. (Loud cheers.)

A Dishonest Attack.

I desire to devote a few words to a specially dishonest and unfair mode of attack levelled at us. It has been alleged very freely (though not often in the House of Commons), that after all we are responsible for most part of the large sums which had been attained in 1873-4—because, forsooth, we were in office for nearly two thirds of that year! I doubt if so preposterous a charge was ever before brought forward in any civilized community enjoying a Parliamentary Government. I think this audience is far too intelligent not to perceive that the men who framed the estimates for 1873-4 and carried the measures on which the expenditure was based, who gave out the contracts

under which the greater part of this expenditure was incurred—that these men are of necessity responsible for it; but lest there should be any doubt as to who are the *real parties responsible* for the great addition to our expenditure which took place in 1873-4 over 1872-3, I propose to give you a short summary of the main items which compose the addition to the expenditure of the preceding year. You will remember that in 1873-4 something like four million dollars in round numbers was added to the general public expenditure—that expenditure which is known as chargeable to the ordinary Consolidated Fund. Here are the chief items, and I will leave it to you to say how far we are to be held fairly responsible for these additions. The first item, and the largest one, was the assumption of the Provincial debt and the subsidy to New Brunswick, amounting to $850,000 per year. Now, if there were two men in Canada who more than any others protested against that unfortunate measure it was Mr. Mackenzie and myself. You have only to refer to the records of the debates of that period to find how strongly we opposed granting the additional bonus to the Provinces, and that we did all in our power to prevent it, knowing that we were not in a position at that moment to be generous, and that, considering the liabilities already undertaken, it was an act of the grossest folly to saddle ourselves with nearly one million additional to our permanent debt. Then came the outlay caused by the admission of Prince Edward Island, quite apart from the expenditure in connection with their railway, to which I have referred, amounting to over $500,000. I repeat now, as I have often said before, that I do not in the slightest degree blame the people of Prince Edward Island, in view of the enormous liabilities which we had incurred, for insisting on securing very excellent terms for themselves; but it is utterly absurd for these gentlemen to allege, as regards the admission of Prince Edward Island—carried by them, and arranged by them—that we are to be held responsible for one jot or tittle of that expenditure. Then they chose to *increase the indemnity granted to members of Parliament*, and to make many other additions to salaries of officers, entailing an addition of between $300,000 and $350,000. Then they were good enough to render it necessary to have an extra session or two, and although they may perhaps plead that they submitted to that extra session rather unwillingly, still, inasmuch as they were the *culprits to be tried*, I think they should in all fairness be charged with the cost of bringing them to the bar of justice. The amount of this expense was $200,000. Then they made certain alterations, to which I do not object, in the mode of conducting the Post Office business, resulting in an addition of about $300,000 to the public expenditure—although, of course, mostly balanced by receipts. They also organized the Mounted Police force at a cost of about $200,000, although that only represented a part of the actual expenditure of that year. There remains about $225,000, being the additional half-year's interest and sinking fund on Mr. Tilley's loan, for which we were in no way responsible. They had also given out contracts for a great variety of public works usually chargeable to income, amounting in all to $250,000 in excess of the sum expended in 1872-3. Further, they had contracted treaties with various Indian tribes involving an additional expenditure of $100,000. They had also incurred a great variety of amounts for miscellaneous expenditures amounting to between $850,000 and $900,000. In round numbers these items made a sum total of about *four millions of additional expenditure*. You will observe that of these items which I have recited, there is not one over which we, when we assumed office in 1873, could have exercised any control whatever, except, indeed, part of the election expenses. All the rest of these expenditures were formally and advisedly contracted by these gentlemen, and I repeat that no more dishonest or more puerile attempt was ever made than the attempt to charge us with being responsible for the chief portion of the increase of 1873-4, because we assumed office after four or five months of that year had elapsed, and I need hardly say I have far too much confidence in your intelligence not to believe that once that matter is brought fairly before you, you will not be deceived by these charges.

Comparison of 1873-4 and 1875-6.

I now propose, having dealt briefly with the general facts as between 1873-4 and 1876-7, to deal in some detail with those as regards the expenditure we incurred in 1875-6. You will observe that in 1873-4 we had attained a gross expenditure of $23,316,000. In 1875-6 our total expenditure ranged to about $24,488,000, showing an excess over 1873-4 of something like $1,172,000. Now, if you can bear one circumstance in mind it will greatly facilitate my dealing with the subject. Our expenditure at present is divided into three great heads. The first is interest on public debt and subsidies, which are known as "Fixed Charges," and which, when once incurred, are absolutely outside the control of any Ministry. The second is known as "Charges on Revenue,"—that is to say, charges in running the Post-office, working the canals and railways, and various other minor matters, such as expenses of the Customs and Excise, which are in a certain sense charges on both sides of the account, and although, in a certain measure, under the control of the Government, still practically they must almost be regarded as items of fixed expenditure.

Real Test of Economy.

The third and largest division is known as "Ordinary Expenditure," and consists of such items as civil government, administration of justice, ordinary public works, and other things of that kind, forming an expenditure by which the real extravagance or economy of a Ministry can always be best judged. If a Ministry is found to be largely increasing its ordinary expenditure, and is unable to give very good and satisfactory reasons for so doing, you may be sure that they are dealing somewhat extravagantly with the public funds; but if they are found steadily confining this expenditure within its existing limit, and, still more, if they are found reducing it largely, you may be sure your resources are not being idly and uselessly squandered. I will pass over for a moment the ordinary expenditure and charges on revenue, and take up the charges on the public debt and subsidies. Under this head in 1873-4 the expenditure was $10,255,000, in 1875-6 it

was $11,122,675, showing a difference of about $870,000 on fixed charges for those two years. It becomes a matter of the greatest importance, seeing that this $870,000 comprises the great bulk of the excess as between 1875-6 and 1873-4, to ascertain how far this Government is fairly chargeable with any extravagance in respect to that amount, and also to ascertain who are the parties really responsible for incurring in it the first instance. Now, for this increase, be it bad or be it good, I do not say that the late Government were necessarily blameworthy, but I do say that they are directly and entirely responsible for it. In the first place, I desire to say that of this increase of $870,000 the sum of $150,000 is purely nominal—that is to say, it represents simply the amount of accumulated interest on Sinking Fund investments, and therefore appears on both sides of the account, or else interest on moneys advanced by us for specific purposes, on which we get back five per cent. Making this deduction, there will remain about $700,000 more or less to be dealt with. That sum of $700,000 you will find is composed almost entirely of the interest upon the expenditure for capital account in the building of public works for which they, and not we, are directly responsible.

Who are Responsible for Additional Interest?

In the two years to which I am now referring there was expended on sundry public works $14,077,297. I will give you a list of these public works, going over them in detail, and I will then ask you, or any fair-minded man, how far the present Administration may fairly be held responsible for the $700,000 additional interest on the public debt. First there is the item of $522,000 spent on the Lachine Canal; next a sum of $963,000 spent in completing sundry canals, chiefly in the Ottawa region; next, $2,616,000 spent on the Welland Canal; then $457,000 on the Parliament Buildings; then the sum of $3,644,000 for completing the Intercolonial Railway; then $889,000 on what is known as the old Nova Scotia and New Brunswick system; then $88,000 on the Prince Edward Island Railway; then $1,265,000 expended in completing necessary surveys on the Pacific Railway; and $3,627,000 for works of construction thereon. Now, I admit freely that if those works had been voluntarily undertaken by us, that whether good or bad, in any case the full responsibility might rest upon us, and that these gentlemen might fairly say, "You knew that the country was in a distressed condition, and you should, therefore, have been cautious about engaging in these works;" but of all the list which I have enumerated let any man show a single public work which was not commenced by these gentlemen or declared by them to be absolutely necessary in the true interests of the country, and for which they had not given out contracts and irretrievably committed the people of this country before my hon. friend the Prime Minister took office at all. These being the facts, I would ask under what possible circumstances these hon. gentlemen can make a charge against us that we added largely to the public debt, for the payment of interest on those $14,000,000, every penny of which was incurred for works which they had put under contract or had declared to be imperatively necessary for the interest of this country.

Question and Answer.

These gentlemen ask me, "How can you speak against us in regard to our management of the finances of the country—how can you charge us with extravagance in having raised the total expenditure from thirteen millions to twenty-three millions, when you yourselves have added over $1,100,000 to the general total outlay of the country?" Well, my reply is that I have shown that of this sum $150,000 was a purely nominal increase, being merely a cross entry on both sides of the account, and I have further shown that $700,000 of the remainder was paid as interest on sums we were obliged to borrow in order to carry out public works to which these gentlemen had committed the country, and that the balance is only a fraction, and a small fraction, of the vast mass of liabilities left behind by them.

Ordinary Expenditure Compared.

I shall now refer to the mode in which they dealt with the item of "Ordinary Expenditure" while they were in office, and I shall then compare their mode of dealing with ours, and leave you to judge for yourselves which of us is open to blame in that particular. When they assumed office the actual total expenditure for ordinary purposes amounted to barely $3,630,000. When they left office they had contrived to increase this part of the public expenditure to $8,324,000, being an increase of $4,700,000, or nearly 150 per cent., in a period of some six or seven years. (Hear, hear.) We, on the other hand, commencing with a total amount of expenditure of $8,324,000, did, indeed, nominally increase the expenditure to $8,569,000 in two years, but we are to be gravely told that though it is perfectly right and proper that they should nearly *treble the public expenditure* in six years, we are to be hurled from power as persons guilty of the grossest extravagance, and a set of corrupt incapables, because we added in the space of two years the sum of $240,000 to the public expenditure. Now, I wish further to call your attention to the fact that even of this $240,000 for the boundary survey between Canada and the United States, no less a sum than $134,000 was not actually spent in the year 1875-6, but, on the contrary, every penny of it was expended in 1873-4, though, owing to the fact that that survey was conducted by Imperial officers, we were not able to obtain an audit until 1875-6, and hence it appears in the accounts for that year. If you withdraw from the $8,569,000, ordinary expenditure for which we were responsible in 1875-6, that sum of $134,000, and add it to the $8,324,000 for which these gentlemen were responsible in 1873-4, you will have this result, that the actual verified expenditure for that year (I say verified, because there were other items like this properly chargeable to 1873-4, which I do not propose to take into account) was $8,460,000 in round numbers, whereas our actual expenditure for 1875-6, deducting that sum, amounted to $8,434,000—or in other words, our ordinary expenditure was absolutely at the end of the two years a *trifle less* than theirs, although we had been obliged to provide for a great number of extraordinary calls from which the late Government were free.

Extraordinary Calls.

First, there was a considerable amount for the expenses of the Supreme Court, which I put roughly at $75,000 or $80,000 ; then we had further to provide a certain sum for Canada's expenses at the Philadelphia Exhibition, which was clearly an extraordinary expenditure. There was also the loan to the Mennonites, amounting to $100,000, though a portion of this sum will be charged against the year just closed. We had further to provide for the relief of the unfortunate settlers in Manitoba to the extent of about $83,000 ; we had granted pensions amounting to some $50,000 to the shattered relics of the old veterans of 1812, and in regard to it I may say that if you are disposed to condemn Mr. Mackenzie's Government for that act, we will bow in all meekness to your censure ; but if that be the worst act of extravagance which can be charged against us, I mistake very much the feelings of the old pioneers of North York if Mr. Dymond or any other of our supporters lose a single vote on account of that expenditure. (Loud cheers.) Then, gentlemen, in carrying out the policy of our predecessors—which I don't condemn, and which I am not censuring, but to which I have a perfect right to call your attention, because it was a policy which they encouraged, and for which they must share the responsibility—we made such additional treaties with Indians as involved a cost of $200,000 more. Our Mounted Police, in spite of our utmost endeavours to keep the expenditure within smaller limits, cost $150,000 more than that service had been debited with in 1873-4. We were spending on public works chargeable to income $120,000 or thereabouts more than they had done, but it must be borne in mind that it was in carrying out contracts and works upon which they had entered before we came into office ; therefore this result accrues, that whereas we had to provide for extra expenditures over and above that which had fallen upon their shoulders in 1873-4 to the extent of *eight hundred and seventy-five thousand dollars*, we were enabled to do it for something like *four or five thousand dollars less* than they did. (Cheers.) If you will now pass on to the third great subdivision of the public expenditure—that which is commonly known as "Charges on Revenue"—you will find that whereas their original charges in 1867 amounted to $1,885,000, they contrived to augment it in the course of six years to $4,736,000—(hear, hear)—or in other words, they *nearly trebled it*. We, in the two years between 1874 and 1876, augmented it from $4,736,000 to $4,796,000, being a total increase of $60,000, every penny of which, I may say, was caused by the necessity of putting in force the Weights and Measures Act, which they left as one of their many legacies to us, good, bad, and indifferent. We may, perhaps, have been to blame for putting that Act in force ; we ought, perhaps, to have known that no good thing could come from such a source as Dr. Tupper—(laughter)—who was the original author of that measure, but certainly we are not fairly chargeable with extravagance, because when they left the Act on the statute book, and incurred a large expense in making preliminary expenditures, we felt that we were obliged to expend a further amount for the purpose of carrying into operation the Act which they themselves had passed. (Hear, hear.) It is true that though on some points we managed to reduce the expenditure very considerably, on others we were obliged to make some additions to that expenditure.

Post-Office Outlay.

For example, we have been obliged to make some increase in the Post Office Department, and I will just take this opportunity of saying frankly that it is very possible that if three or four years ago we had been able to foresee the full extent of the extraordinary depression which has overtaken this country—I say it is possible that under such circumstances my hon. friend the present Lieutenant-Governor of Ontario (who was then Postmaster-General) would have hesitated in carrying into effect the changes (involving considerable augmentations to the expenditure) which he saw fit to make in some portions of his department. You will find, however, that for these changes the public have received a benefit far beyond the extent of the increase to which I have alluded ; for you will please bear in mind that of all the departments of the public service, the Post Office Department is the one which most directly contributes to the advancement in education of the people, to the diffusion of useful knowledge, and to the improvement of communication between the several sections—(hear, hear)—and without debating just now how far we were justifiable in making the increase which I have named, I do claim that if a point is to be strained at all, it might very fairly be strained in this particular direction. (Hear, hear.) Now, although our total increase of expenditure was barely $60,000 over that of 1873-4, we have had thrown on our hands the whole expense of maintaining the Prince Edward Island Railway, amounting to about $220,000, and almost all the original Intercolonial Railway. Yet, notwithstanding those great additional expenditures, including that involved by the enforcement of the Weights and Measures Act, as I have already stated, we have kept the total expenditure to within about $65,000 of that attained by our predecessors. (Loud cheers.) I will give you in brief the result of our extravagant management in these years. The year 1875-6 is the one most unfavourable to us, and the year 1873-4 the one most favourable to them, because we had not then begun to experience the effects of the policy to which they had committed us. Nevertheless, you will find that during that year the sum total of our expenditure for "Ordinary Purposes" was really below theirs for 1873-4, while during the year that is just closed you will find that against the total expenditure on their part of eight millions and a-half, if the account be truly stated, we have succeeded in reducing the total expenditure to seven millions, and that our utmost gross amount for 1876-7 in all probability will not exceed that of the year 1873-4 by more than between three or four hundred thousand dollars, every penny of which was required to pay interest on money borrowed to defray liabilities incurred by them. And I leave it to you, I leave it to the whole people of Canada, to say who are justly to be held responsible for that addition. Looking at these matters from a broad standpoint, I think I have shown you how very small ground there

is for the charges that have been levelled against us of gross extravagance in the administration of public affairs; but lest any among you should desire more minute information, it may be more convincing were I to go over the general items of ordinary expenditure in detail, comparing the expenditure of 1873-4 with 1875-6.

Analysis of Expenditures in 1875-76.

The first great item is that of Civil Government. Under these gentlemen's administration that item had swollen in 1873-4 to the sum of $883,000; under our extravagant administration it was reduced to $841,000. In that one item there was a saving of $42,000. In the administration of justice, on the other hand, the expenditure of the late Government was $459,000, and our expenditure $544,000; but you will bear in mind that this sum included the total expenses of the Supreme Court, various incidental expenses connected with the administration of justice in the North-west and British Columbia, and certain expenses arising out of the creation of County Court judges in Nova Scotia. As our opponents had over and over again declared that the Supreme Court was a matter of necessity, and had over and over again promised in Her Majesty's speech to introduce an Act to create such a Court, I am justified in saying that they at least have no ground for complaining of our action. But wholly apart from this, it was a matter of the greatest desirability to the legal profession, to all persons having lawsuits on their hands, that they should not be compelled to go from home to carry on a tedious and protracted litigation before the English Privy Council, but that Canada should have a final Court of Appeal in which all Canadian causes should be finally disposed of. The next item was the police, which cost for maintenance under their administration $56,000, under ours only $13,000, though this is chiefly caused by a transference of part of the force to another head. In the item of Penitentiaries, on which these people had expended $395,000, I find that under the administration of Mr. Blake it has sunk to $312,000. Under Legislation their total expenditure was more than $784 ,000, while our total expenditure was $627,000. In the item of Geological Surveys the expenditure is almost stationary; the outlay in both years was $97,000. On Arts, Agriculture, and Statistics their expenditure was $19,000, ours $67,000, but this latter sum included the expense in connection with the Philadelphia Exhibition, amounting to over $50,000. The census had cost $39,000; it was now $10,000. The expenses of immigration had risen in our *regime* from $318,000 to $385,000, but that included the advance of $60,000 made to the Mennonites, for which good security had been given. The Marine Hospital charges remained the same as before. In the matter of pensions we had added $50,000 to the sum total for the old veterans of 1812. The sum total of the superannuation expenditure had increased from $64,000 in their time to $101,000 in ours. You will observe in this matter of superannuation that whereas it commenced at $12,000 in 1871, it increased at the rate of from $20,000 to $30,000 annually till it reached $64,000 in 1874, and that the whole expenditure, such as it is, is incurred under their own Act and in accordance with regulations of their own drawing. In the matter of Militia and Defence the difference is very slight. The outlay on Public Works in 1874 was $1,826,000; in 1876 it was $1,948,000, or an increase of $120,000; but my hon. friend the Minister of Public Works will no doubt explain that he was obliged, when he came into office, to go on with the numerous works these gentlemen had undertaken. They had seen fit to incur very heavy obligations for numerous minor public works chargeable to income, and we were obliged to carry their arrangements into effect; and I am very sure that you will impute to him no blame, because he, as Minister of Public Works, thought it his duty to complete these enterprises. Under the department of Ocean and River Services you will find that the expenses increased from $407,000 to $546,000, partly caused by the transference of the several bodies of police from that head to the head of River and Steam Service, and partly by the purchase of two large and valuable steamers for lighthouse purposes. The great increase in the expenditure for Mounted Police I have already referred to. In Indian grants our total expenditure under that head was necessarily increased from $146,000 to $276,000; and in the matter of Dominion lands in Manitoba we had succeeded in making a reduction of $70,000, having reduced that expenditure from $283,000 to $212,000. In the matter of Dominion forces in Manitoba we have reduced the expenditure from $209,000 to $81,000.

Summary of Results.

Putting it briefly, we may summarize the results as follows:—First, the excess of 1876 was caused wholly by the necessity of providing for public works commenced by our predecessors; secondly, that if the ordinary expenses of 1876 be adjusted by the subtraction of the cost of the boundary survey, it was absolutely less than that of 1874, in spite of the many additional and extraordinary items; thirdly, that I have every reason to believe that the ordinary expenditure of 1877 will be less by one and a half millions than that of 1874, notwithstanding that we have to provide nearly $900,000 for new services; fourthly, that the true gross expenditure for 1877 will hardly exceed that of 1874, in spite of all those additions and the payment of $1,250,000 for interest and sinking fund on monies borrowed to prosecute works commenced by them.

Precautions Taken.

It is not my intention to enlarge upon the fiscal policy of the Government; that is a subject so extensive that it will require to be treated of upon a separate occasion by itself; but I desire to call your attention to the fact that when we came into office we thought that this country was in a position which required additional taxation. We thought there was danger of a considerable reduction in the imports of this country, and we deemed it our duty to take precautions to maintain the equilibrium between our expenditure and our revenue. There are some who now declare that it was our duty in 1874 to foresee how far the great depression that has overspread the country might go, and that we were justly censurable, because, although we took considerable precautions,

we did not go far enough. That may be very well, but allow me to say that most assuredly Her Majesty's Opposition had no ground to bring that accusation against us. Why, sir, when I first rose to propose additional taxation, they decried me as an alarmist, as one running down the credit of this country and wantonly disturbing the whole course of trade. They alleged that I was deluding the people; and when I talked of the necessity of putting on new taxes, asserted most positively that I was acting in gross ignorance of the situation. I leave it to you to say what would have been the position of Canada to-day if we had lost one hour in imposing those taxes, or had been induced on the faith of these assurances to stake our whole future on such a chance. I am prepared to admit frankly that I did not anticipate such an extensive depression as has fallen on the country; and that although we had made ample provision for a sharp gale, we were not prepared for such a commercial hurricane as we experienced. It is the duty of a Government to make fair and reasonable calculations—not to anticipate evil before it comes, but to be prepared and ready to meet it when it does come. The calculations of a Government should allow what appears to be a sufficient margin, but should not anticipate an extreme case. Such extreme cases, when they arise, must be met as they come, and I no more admit that the Government or the Finance Minister of the day are to blame for not having prepared in 1874 for such a state of things as we had to deal with in 1876, than I would say that the captain of a vessel was to be censured because he did not immediately on quitting port prepare his ship as he would do when overtaken by a tempest. And I say the preparations we made and the taxes we imposed—although it was not possible to foresee the full extent of the depression, or to guard entirely against all chance of a deficit—still have been so far useful that we have passed through this unexampled crisis with less of injury and danger to the body politic than was the case on former occasions. And had our words been listened to when pressed on Parliament in 1873, at the time of the assumption of the Provincial debt, and of the admission of Prince Edward Island, one costing $850,000 and the other $500,000 per year, there would have been no fear of a deficit to-day, no matter what reduction might occur in the ordinary revenue.

Time to Pause.

The time for interference was in 1873, when the debt was assumed and Prince Edward Island admitted. But the Government of that day refused to listen to our advice, and we must bear the consequences of their folly. As to my estimates of the probable receipts of 1876-7, I am now in a position to say that our expectations would have been fulfilled to the letter had not our calculations been deranged by the occurrence of an unusually bad harvest, which reduced our receipts at the very least from five to ten per cent., both in customs and excise. Those of you who have studied the fiscal policy of this country, and those who know how deeply the welfare of all classes and ranks are connected with that of the farming population, will understand me when I say that no calculations can be expected to come within five or ten per cent. of the fact, when we have to contend with such a harvest as that which overtook us last year. But if this be made a ground of attack on us—if it be a cardinal fault in a statesman not to foresee eighteen months ahead, what calamities a bad season may inflict on the country, what are we to say of the amazing accuracy of the forecast of coming events displayed by Mr. Tilley in 1873, and still more by Dr. Tupper in 1874?

Dr. Tupper's Prophecy.

I have here the speech of Dr. Tupper on the occasion of the imposition of the tariff of 1874, to which I will call the attention of the people of Canada, in which Dr. Tupper has recorded for all time how very accurately *he* foresaw the present position of this country. "He (Dr. Tupper) maintained that it was not necessary to impose a single dollar of additional taxation on the people. * * * The hon. gentleman (the Finance Minister) had admitted that he had miscalculated the true resources of the country. He (Dr. Tupper) was encouraged by this to venture another suggestion, and that was that instead of imposing the three millions of new taxation, and instead of deranging the trade and business of the country, and instead of trying a new experiment, he would let well alone, and rest upon the tariff which he (Dr. Tupper) had shown him he might rely upon to yield an additional one and a-half millions year after year." Mark this well. Not only did we not need new taxes, but we were to have an additional one and a-half millions year after year. He then proceeded to say:—"He (Dr. Tupper) maintained that it was not necessary to impose a single dollar of additional taxation on the people. * * * Look to where they would, to the east, west, north, and south; look in every direction they would, except into the inner consciousness of the Finance Minister himself, and they found everything in as prosperous condition as any country was in on the face of the globe." Nor was Mr. Tilley one whit behindhand. He, in 1873, almost at the very moment I was opposing the enormous additions which he was making to the general expenditure of the country, was good enough to speak in this wise:—"Supposing there should be no increase in the importations and general trade of the country, which is supposable, but which certainly will not be realized." That was Mr. Tilley's position—no mere chance expression, mind you, but his deliberate opinion, maintained and justified from one end of his budget speech to the other—it was "*supposable*" that the importations of 1873 might not increase, but as for expecting a diminution and such reverses as we have had to contend with, such a contingency never entered into Sir John Macdonald's calculations, or those of Mr. Tilley, his Finance Minister that was, or into those of Dr. Charles Tupper, his Finance Minister that is to be. What I call your attention to is this:—I am not condemning them for what they said; but I wish to point out to you how much in error they were when in 1873 and 1874—when any man who had read the signs of the times could not fail to see indications of the great and disastrous reaction which was coming over this country—their advice was such that, had I taken it, I would assuredly have had to deal, not with one or two deficits, but with *four* successive deficits of huge dimensions. And let me ask you, had I gone to

England, with a deficit staring me in my face, to borrow money, I ask you what would have been my reception there? What would have been the credit of Canada to-day? The credit of Canada was safe, because the Government of Canada had the manliness to look the thing in the face, and impose taxes which, if not quite sufficient to clear our way of difficulties, was sufficient to save our credit, and enable me to borrow for Canada large sums in the markets of the world, on better terms than ever Canada had been able to borrow before.

Is a Deficit Proof of Incompetence?

I notice that not only Dr. Tupper, but even Sir John Macdonald, who is generally a good deal more cautious if not more accurate in his statements than the hon. member for Cumberland, has been pleased to impute the fact of *one* deficit having existed as a signal proof of the incompetence of this Administration, and more particularly of the Finance Minister thereof. Now, gentlemen, out of their own mouths will they be judged. Let us assume that every deficit which occurs, no matter under what circumstances, no matter what misfortunes may have overtaken a country, is a clear proof of incompetence on the part of those charged with the administration of affairs.

Sir John A. Macdonald's Record.

Knowing something of Sir John's own previous financial history, I thought it well before coming here to order the officers of my Department (without any reference to me) to prepare a short statement of Sir John's financial record during the eight or ten years which he administered the affairs of Canada without the invaluable assistance of Dr. Charles Tupper. From this statement I find that during the year ending 31st December, 1858, the total revenue was $5,270,627; the total expenditure was $8,645,944, being a total deficit in that year of $3,375,317. (Hear, hear.) In the year ending 31st December, 1859, the receipts were $6,597,017; the expenditure $8,091,761, being a total deficit of $1,494,744. In the year 1860, the receipts were $7,436,585; the expenditure $9,440,576, or a total deficit of $1,973,989. In the year 1861 the revenue was $7,543,926; the expenditure $9,542,934, or a deficit of $1,199,008. In 1862 the receipts were $7,377,165, the expenditure $9,441,497, the amount of the deficit $2,064,332. In other words, he had a deficit the first of these years of 39 per cent., the second 18 per cent., the third about 21 per cent., the fourth about 21, and the fifth nearly 22 per cent. (Hear, hear.) Now, if, as Sir John asserts, the existence of a deficit is a manifest evidence of the incompetence of an Administration, and in order that you may understand what benefit you may expect from the change, if you turn out *this* incompetent crew, and put in *that* incompetent crew, I will briefly give you some figures which will show what these deficits would represent, provided they were incurred on an expenditure at all equivalent to the expenditure of to-day. As you will have observed, our deficit of about $1,900,000 occurred on a total expenditure of about twenty-four and one-half millions, or, in other words, it amounts to a little over seven and one-half per cent. on the total annual expenditure; but if you take Sir John Macdonald's deficit, representing as it does 39 per cent. on a total expenditure of eight millions, you will find by a very simple calculation that it is precisely equal to a deficit of $9,560,200.23 on an expenditure of twenty-four and one-half millions. (Hear, hear.) That is to say, if he had been in power in 1876, and had managed affairs as successfully as he did in 1858, he would have had a deficit rather in excess of nine millions. (Hear, hear.) Apply the same rule to the succeeding year, and you will find that his deficit would have been $4,523,923.63; the next year, $5,137,059; the next, $5,129,761; and had not Mr. Sandfield Macdonald come in and interposed his praiseworthy notions of economy, Heaven only knows what the end would have been. (Hear, hear, and laughter.)

"Answer a fool according to his folly."

I should not, perhaps, speak of matters of this kind in a tone of levity, though there is the best of authority for "answering a fool according to his folly"—(laughter)—but if these men imagine that what has happened in the two periods I have mentioned is forgotten by the people of this country; if they fancy that Sir John Macdonald, after twenty years of power, can escape all reference to his past record, while they are at full liberty to make all manner of charges against the present Government, then I say they mistake the temper and very greatly underrate the information of the people of this country. (Hear, hear.) The financial history of the leaders of the Opposition covers two very distinct periods. They were in power during a period of inflation as well as during a period of severe depression. They grossly abused the one; they failed utterly in meeting the other. All lessons were lost upon these men; and though I do not profess to say—as I was not then very intimate with the financial affairs of the country—to what precise extent Sir John Macdonald was censurable for the enormous deficits which existed from 1858 to 1865, yet I do say this, that of all the men in this country, it least becomes Sir John Macdonald to reproach any man, or any Government, with a deficit under such circumstances as those under which the last occurred, and if he persists in doing so, I refer—as I have a perfect right to do—to the deficits he incurred in his own time, and the huge percentages they amounted to. It is true, I may be told that all these occurred before Confederation; or, in other words, that they had no Dr. Charles Tupper; that Sir John was relegated to the tender mercies of such "inferior members of the Cabinet" as Sir Alexander Galt and Sir John Rose; that he had no Charles Tupper to prescribe appropriate financial remedies; no sage of Cumberland to look "east and west, and south and north, and everywhere except into the inner consciousness" of that visionary alarmist, the present Finance Minister—no wise medicine man to see, as clearly as Dr. Tupper did in 1874, that there was no ground for fearing a diminution of imports, and no necessity for imposing additional taxation.

RECAPITULATION.

	Receipts.	Expenditure.	Deficit.	Percentage of Variation.	Comparison with 1875-6.
	$ cts.	$ cts.	$ cts.		$
Year ending 31st December, 1858......	5,270,627 05	8,645,944 64	3,375,317 59	39 0393.... .	9,560,[illegible]
do do 1859......	6,597,017 58	8,091,761 85	1,494,744 27	18.4736..	4,523,[illegible]
do do 1860.......	7,436,585 10	9,410,575 09	1,973,989 99	20.9773......	5,137,[illegible]
do do 1861.......	7,543,926 20	9,542,934 29	1,999,008 09	20 9475..... ..	5,129,700
do do 1862.......	7,377,165 90	9,441,497 04	2,064,331 14	21.8644..... ..	5,354,235
do do 1863	8,602,364 48	9,472,854 67	870,490 19	9.1893..	2,25[illegible], [illegible]10
Six Months ending 30th June, 1864... ..	4,763,208 19	4,423,281 47	....	.. ..	935,200
Year ending 30th June, 1865...........	9,573,786 61	9,953 957 00	380,170 39	3.8192.....	
do do 1866............	11,652,444 40	10,834,812 93	....	....	
do do 1867.......	11,399,001 50	11,381,950 91	....	....	

Remarks.—(*a.*) The Receipts from Customs and Excise represent the gross amount of duties deposited; the duties refunded are included in the Expenditure Statement.

(*b.*) Bill Stamps - a new impost in 1865.

(*c.*) The Receipts from Penitentiaries, Hospitals and Charities, and Militia, previous to 1865, were deducted from the gross amount of payments on account of these services.

JOHN LANGTON,
Auditor General.

Extracted from the Public Accounts by

J. M. COURTNEY,
Chief Clerk, Treasury Board.

Finance Department, Ottawa, 7th June, 1877.

Tupper on Blake and others of the Administration.

Dr. Tupper, moreover, was good enough to give a short sketch of a few of the members of this Administration. He declared that I was incompetent, that my hon. friend the Minister of Public Works was a signal failure, and when he came to speak of Mr. Blake he hardly had words sufficiently strong wherewith to express his contempt for that gentleman. He told his hearers that he was a good lawyer, but an excellent example of how easily a good lawyer might become a poor politician. (Laughter.) Now, of myself I will say nothing, and Mr. Mackenzie is here to speak on his own behalf; but I think I know something of Charles Tupper, and I believe I know something of Edward Blake—(cheers)—and I am not very greatly surprised that such a man as Charles Tupper should express such an opinion of Edward Blake. (Hear, hear, and cheers.) I can only say that the bare idea of Dr. Tupper pretending to measure Edward Blake suggests to my mind, as it will to many of you, the natural difficulties experienced by the people of Lilliput in trying to take the measure of Mr. Gulliver. (Hear, hear, laughter and cheers.) Dr. Tupper is a learned physician; I don't know whether he is equally well acquainted with *belles-lettres* as with medicine, but his remarks upon Mr. Blake bring most forcibly to my mind certain lines of Alexander Pope's upon a similar happy criticism attempted by the various Dr. Tuppers of that era:—

Pope on Tupper.

The critic's eye, that microscope of wit,
Sees hairs and pores, examines bit by bit;
How part relates to part, or they to whole.
What moulds the features, what inspires the soul,
Are things the sage of Cumberland will see
When man's whole frame is obvious to a flea.

(Loud laughter.) I hope Dr. Tupper will forgive the comparison; at all events he will please remember that it is the late Alexander Pope's—it is not mine. (Hear, hear, and laughter.) I am bound to say, however, that the Doctor is an exceedingly energetic and lively flea, that he sometimes makes himself very troublesome, and that he possesses another attribute of that animal—he is very difficult to catch. (Loud laughter and cheers.) You may put your hand on him here, and lo! he is there—(renewed laughter)—and when you think you have him there, he turns up as lively as ever in another corner. (Renewed laughter.)

Political History of Dr. Tupper.

But, as Dr. Tupper is, as I have shown you, the sole hope of the Opposition, the sole element in which the men of 1860 differ from those of 1867 and 1874, it is well worth our while to examine the grounds upon which the Opposition rely on him as a financier and political leader, if it should be his fate again to figure on the arena of the Treasury benches. I am not very well versed in the politics of Nova Scotia, but I remember that in 1864 they had a considerable interest for us, and at that time Dr. Tupper led a well-organized and powerful party in Nova Scotia, to which he had succeeded on the retirement of Mr. Johnson. He was then Premier of his native Province, with a remarkably well-organized party at his back; he had before him the work of carrying Confederation in one of the most loyal Provinces of Her Majesty's dominions. There were many reasons that made Nova Scotia disposed to be amenable to any requests which emanated from the Home authorities. They were always glad to fall in with Imperial policy; glad to do anything to advance the interests of the Empire. How did Dr. Tupper fulfil the task imposed on him? How did he satisfy the people of Nova Scotia? Where are the proofs of his marvellous skill in the management of his own political affairs? Where of his financial or administrative ability? Let us glance at them in detail. When he came to Ottawa in 1867 he was himself the sole representative of the Province who supported Dr. Tupper—the sole relic of the well-organized party which he led in 1864; and from that day to this, after three years of his leadership, that party have not been able to raise their heads in their native Province.

Nova Scotia in Revolt.

That very Province, naturally one of the most loyal Provinces in the whole Dominion, was by his arbitrary conduct and unfortunate management driven to the very verge of revolt. (Hear, hear.) Then, too, this gentleman who is proclaimed as the sage of finance—the man who is to restore our credit, revive our trade, protect our manufacturers, and restore you all to the very pinnacle of prosperity—had so well arranged the terms of Confederation for his own Province, had shown himself so well advised in the settlement of the financial terms on which Nova Scotia was admitted to Confederation, that before twelve months had elapsed we were obliged, because he did not know the first elements of his business, to tear up the *whole financial basis of Confederation*, and pass a resolution entirely destructive of one of the most vital portions of the whole British North America Confederation Act, because we were informed that if we did not do so Nova Scotia would revolt. (Hear, hear.)

Arguments Used.

I very well recollect the arguments which were used to some of the more refractory members—of whom I was one—who objected to the step which was then proposed to be taken. We felt that there was great danger in meddling with that portion of the Confederation Act of all others, but we were told—he can guess by whom—that Dr. Tupper had made such a mess of the matter that there was simply no alternative. We were told that he was the veriest child in matters of finance (and, upon my word, I scarcely think he has grown much since)—(laughter)—that he had to carry Nova Scotia by hook or by crook; or, as an eminent statesman from a sister Province was wont to express it, "Confederation at all hazards and d—n the expense!" (Loud

laughter.) I don't doubt that Dr. Tupper will recognize these arguments ; he will remember who whispered these things along our benches, and probably quite appreciate the generosity which inspired them. Now, I may be told that I myself voted for granting these better terms to Nova Scotia. That is quite true, and that has been made a matter of reproach to me. All the blame to which I am entitled is that I waived my own judgment in this matter in deference to that of old and experienced public men in whom I confided, and for that I must accept my fair share of responsibility. But what is to be said, what sort of censure should fall on the man who, after inheriting a strong and solid party, found himself unable to administer the affairs of his own Province in such a way as to bring even a decent support to the Government of the day, who left one of the most loyal Provinces in Canada on the verge of revolt because he would not pay the slightest attention to the openly expressed will of the people, and finally brought it into the Union on terms according to his own showing so absurd and unjust, and in such a state of alarming discontent, that we had to patch up matters at the expense of a large sum of money, and a most serious breach in the terms of our general compact ?

The Depression.

In conclusion, I may say that I perceive these gentlemen take great credit to themselves for the great prosperity which certainly attended Canada during the two or three last years of their administration of affairs, and they are never tired of going about the country pointing to the prosperity of 1872 and 1873, and to the depression which now exists, and drawing what they say is the inevitable inference, that when you turned these corrupt men out and placed the present Government in power, the wrath of Providence fell upon you, and therefore your only chance is to turn us out and put them in again. That is the kind of argument in which they indulge ; and probably they are wise in their generation. It is tolerably clear now that the greater part of our difficulties are being surmounted, and that in a short time, perhaps in a year or eighteen months, the natural resources of the country will again assert themselves ; we will enjoy a fair if not a full amount of prosperity ; the present depression will pass away ; and should another turn of the political wheel bring these gentlemen to the top of it, they will be able to point to the fact that when they were in office the country was prosperous, when they were driven from power depression and disaster overtook us, and when they got back to their old places an era of prosperity again dawned upon the country. (Laughter.) If I believed that general prosperity could be restored by so simple a process as turning out the present Ministry and putting others in their places, I would say you could not rid yourselves of us a day too soon. If any personal sacrifice on our part will bring even a partial measure of prosperity to the country, we are not, I hope, so small-minded that we should care to retain our places one moment longer than we believed we were filling our offices in your interests. I have not come before you claiming that we are infallible, but I do claim that to the best of our power and ability we are endeavouring faithfully and honestly to discharge in your interests the high trust you have reposed in us. Whether our policy is the best for the country, whether the course we have adopted is the best and wisest that could have been adopted considering all the circumstances, is a question which we leave to the calm and honest judgment of the electors of Canada, and I for one have no fears for the result. (Loud and long-continued cheers.)

7 2 1

THE UNIONVILLE DEMONSTRATION

TUESDAY, JULY 3rd.

The Demonstration of the Reformers of East York was hardly less successful than that of their neighbours of the North Riding. The decorations and general arrangements made by the Committee at Unionville were perfect, and the attendance on the pic-nic grounds numbered over five thousand. Mr. W. H. Doel, President of the East Riding Reform Association, presided, and addresses, to which both hon. gentlemen replied, were read to the two Premiers, on behalf of the Association, by the Secretary, Mr. Wm. Eakin. The speakers were Mr. Jas. Metcalfe, M.P. for the Riding, Hon. Mr. Mowat, Hon. Mr. Huntington, Hon. Mr. Mackenzie, and Mr. Joseph Rymal, M.P.

SPEECH OF THE PREMIER.

Hon. Mr. MACKENZIE was then introduced, and was received with loud cheers. After some introductory remarks he said :—

Co-operation with Local Governments.

I observe that some of the Tory newspapers are objecting to Mr. Mowat and myself appearing together on the same platform, on the ground that I myself among other Reformers objected in by-gone years to the Government of Ontario being controlled by the Government of the Dominion. I don't take back a single word of those I uttered on that subject. (Hear, hear.) But, sir, it is far different now. We don't interfere with Mr. Mowat's legislation or administration, and I am quite certain he does not interfere with ours.

Reformers should Act Together.

I can see no reason why old-time Reformers in the Province of Ontario and old-time Reformers in the Dominion Government should not meet the people and speak together of the matters which refer specially to their respective Governments. (Hear, hear.) I am glad, therefore, to have the opportunity of meeting with Mr. Mowat, and I was thinking to-day, while listening to his remarks, of how much I had already forgotten of Provincial politics since I had the honour of serving under Mr. Blake in the Ontario Government. His remarks proved most conclusively to my mind how wise was that system of government which was initiated by the agitations of the Reformers in 1859, and practically carried into effect by the Reformers in 1867. By that system of government the Dominion authorities are divested of everything relating to municipal and school matters, of everything relating to all local political questions, and are thus enabled to devote their entire time and attention to those larger questions which must necessarily occupy a Government which controls the destinies of one-half a continent. We have in the Dominion an abundant amount of work without seeking to interfere, as the late Government did, with the administration of affairs in the Province of Ontario. In those times the Government of Ontario was but the mere creature of the larger Administration—(hear)—they were like one of those jumping-jacks which you may see in the windows of a toy store ; the authorities at Ottawa pulled the string, and the automatons at Toronto did the dancing.

No Meddling with the Local Authorities.

It will be an evil day for the Dominion and the Province when the Federal Government seeks to interfere with the autonomy of the Provinces. (Hear, hear.) It is much better in every way, better in the general interest, that each should pursue its own particular line and attend to its own affairs, just as the municipal bodies of Ontario are practically uncontrolled in any way by the Government of that Province, whoever may be in power. It is one of those things upon which we may be allowed to congratulate ourselves at such a meeting as the present, that our system of government, from our school sections upward to the Federal Government, is one of the most artistically correct in the world. (Hear, hear.) I will now refer briefly to some of the charges which have been made against us by our opponents.

The Present Administration not a Coalition.

One of these accusations against my Administration is, that although I had declaimed loudly for years against any coalition, I took the first occasion to form a coalition myself. There could not be anything further from the truth in many respects. A coalition Government means a Government formed by parties of opposite political views on some subjects, which they have agreed either to ignore or destroy by their joint action. Sir, in the Government I formed we were all united

—(hear, hear)—united upon every question of public policy that could come before us. We were united, in the first place, in condemning the late Administration; we were united in condemning the transactions which caused their political death, and upon the questions which we proposed, if our Administration survived, to submit for the consideration of Parliament immediately afterwards. This being the case. there remained no real ground of attack on that score; but, merely because Mr. Cartwright and Mr. Scott in previous years had been associated with the other political party, they accuse us of having formed a coalition. Why, sir, Mr. Gladstone was once one of the most prominent writers in the ranks of the Conservative party in England. He said he had reason to leave that party, and he became not merely a member of a Liberal Administration, but he became leader of that Administration, and is now perhaps one of the most radical of all the radical leaders in broad England. (Hear, hear.) No one can say that he formed a coalition because he left the party with which he had been associated. and no one in England does say so. Not only did the gentlemen to whom I have alluded leave the other party and join the great Liberal party of Canada, but hundreds and thousands of others left the party which dishonoured their country, brought shame and reproach upon the very name of Conservative, and forfeited—it was at one time supposed for ever—the good opinion of those acting in political accord with them in previous years. (Hear, hear.)

Conservatives more forgiving to their Leaders than Liberals would be to theirs.

If it has turned out—as it appears it has—that every other member of the Conservative party should be disposed to forget all the past, to forget the transactions of 1872 and 1873, it simply proves that they are to be more forgiving than the Liberal party would be if their leaders had acted in a similar manner, and more forgiving than we hope the Liberal party ever will be if their leaders should act in such a manner. (Hear, hear, and cheers.)

The Country not Dependent on any Set of Men.

It is a small matter that a political leader, or a whole batch of political leaders, should be swept out of power; it is a small matter if all the public men of the country should have to retire from their places, because, sir, the occasion will always bring forward men to the service of the country. Another generation will soon be in the front, and the places that were supposed to be emptied to the destruction of the country would soon be found to be filled with men as capable as those who preceded them.

Reversal of Pacific Scandal Verdict now Sought.

But, sir, it is quite another and a different thing for the leaders of a political party, after they have been pronounced guilty of a great national wrong by the voice of the people, to seek so to degrade the public opinion of the country as to get it to reverse the righteous verdict it passed upon their misdeeds, and say that men who have once betrayed a great public trust are to be put back to their old places. (Hear, hear.) Let no such theory as that obtain the countenance of the people. If the Liberal leaders ever desert their principles; if they advocate any wrong; if they perpetrate any acts of heinous misgovernment which ought to consign them to political destruction, by all means send them to that destruction, rather than they should bring reproach upon our good name as a party, or upon our common country. (Loud cheers.)

Better any Leaders should Suffer than the Country be Shamed.

Better a thousand times that our leaders should suffer to the utmost the just punishment of their crimes than that that great safeguard of good government, the moral sense of the people, should be dulled and blunted by the condonation of great public crimes. (Loud cheers.) I do not say that the Conservative party, as a party, is guilty of political turpitude, but they have always held principles in antagonism to those prevailing amongst the Liberal party.

What Tory Principles Lead To.

And if they had their views carried into practical effect. this country would be now as much misgoverned as it was fifty years ago; and popular rights would not now be enjoyed as they are under the Liberal principles inculcated by Reformers in all parts of the country during the whole of its progress from infancy to its present manhood. (Cheers.) I do not say they are to be blamed for the acts of their leaders in 1872-73: but I do say if they join hands with these leaders and say that those acts were acts to which no moral blame could be attached, then they are to be held as responsible for these acts and *particeps criminis* in their transactions. (Hear, hear.) Let them have a monopoly of all such transactions, say I. (Hear, hear, and cheers.) It might be said of them as was said by a certain Republican orator to his Democratic opponent out west. He said: "I don't say that all Democrats are horse thieves, but I do say that all horse thieves are Democrats." (Loud laughter.) Now, I don't say that all Conservatives are guilty of these things, but I do say that all these things have been done by Conservatives. (Hear, hear, and laughter.)

The Object of Late Tory Demonstrations.

What has been the sole aim and object of the late Tory demonstrations? They were held for the purpose of convincing the people of the country that a great wrong was done to their party leaders when they were ejected from office because of the Pacific Scandal business. That is one of the purposes of their meetings.

Trying to Reduce all Others to Their Own Level.

The next purpose is to endeavour by all means to make it appear as though the present Government are as bad, or nearly as bad, as they are themselves. There is no advocacy in any one of those speeches of a single high-toned principle—no advocacy of anything bearing the stamp of patriotism or statesmanship. The whole of their orations have amounted to a coarse, verbose

criticism and a gross misrepresentation of every act of the Government that they could possibly misconstrue, and the making of statements which every one of these people knew to be untrue. I am simply amazed at the hardihood of such men appearing before the public and making such statements as they do make, knowing the people to be a reading and intelligent people.

Nova Scotia foremost in securing Responsible Government.

I supposed that I knew tolerably well the people of Nova Scotia. I have mingled to a considerable extent among them. I know their leading men, both in Church and State; I have the greatest respect for their intelligence, for their early love of constitutional liberty, and look back with pride to the efforts and exertions of such men as Joseph Howe and his compatriots in giving Nova Scotia, and assisting to secure for Canada, that constitutional system of responsible government which we now enjoy.

Dr. Tupper's Ontario Mission.

But I think I must surely have misapprehended the character of the people if the gentleman who is now residing in Ontario, in the person of Dr. Tupper, is either a fair sample or fair representative of the people of his native Province. Does this gentleman imagine that he is to be projected at once into our social and political system like an evil meteor; that he is to spread contagion and moral disease—I was going to say moral obliquity—in reference to our political system, which he seems to think is becoming his special mission?

How Tupper Ruined Howe.

Does he suppose that we have all forgotten how poor Joseph Howe—one of the noblest specimens of our public men in his best days—was sent by the Nova Scotians to England to protest against the forcing of their Province into Confederation, and how Dr. Tupper was sent by Sir John Macdonald after him, and followed him in much the same character, if not in the same shape, as the shark follows the ship; how he succeeded in polluting the political atmosphere, and in damning for ever in the sight of all men him who was almost the idol of the people of Nova Scotia for his past services to that Province? The work in which Dr. Tupper was then engaged was one which gained him the execrations of the Nova Scotia people, and this has been shown by the miserable support they have given him in his own Province. Yet he ventures to come to Ontario, and to attack, in his own peculiarly coarse way, every public man who stands in his path, hoping to succeed by sheer abuse in driving his opponents out of his way, so as to enable him to carry his destructive poison over the fair fields of Ontario. It shall never be done. (Hear, hear.)

Ontario not a Good Field for Tupperian Operations.

He will find that the day will never come when such transactions as his name is connected with, either in Nova Scotia or the broader field of Dominion politics, will be forgotten by the people of this country. It is true that these gentlemen, last year and this year, have been having a sort of field day to themselves, because we have the Government to administer, and you all know what difficulties the Ministers of the Dominion have to contend with in bringing to order the chaotic system which we found on coming into office. The difficulty of conducting a vast system of public works and all the initial difficulties had to be contended against. The readjustment of a deranged financial system, the reconcilement of differences of a sectional character which naturally existed between the various parts of the Dominion, were difficulties that every one who understands them will know made it all but impossible for us to attend as many public gatherings as we would have liked to do in vindication of our own course and in reply to the attacks of our opponents.

Canada possesses an Independent Reform Press.—The Tory Press no Influence.

But we have reason to be thankful that we have a magnificent Reform press in all parts of the country, that it reaches nearly every household, and that the leading organs of the Tory party have so debased themselves by misrepresentations, calumnies, and personal attacks that at this moment they have become almost totally destitute of a particle of influence in the community. I therefore appeal through these gatherings, and the speeches that we have time to make, to the intelligence of the editors of the Reform press, to present to the whole people what we can present to comparatively but a small number. In speaking for a few minutes of events connected with the administration of affairs in Canada, let me call attention to one or two points in which it is sought to show you that our only defence against the attacks of our opponents is in showing that our predecessors did exactly the same thing.

Example of Tories no Justification for any Wrong Act, but their course Debars Attack upon Liberals.

Far be it from me to cite their example as any justification of any single act of mine. (Hear, hear.) I know I should have very little standing room in your presence if my defence was based upon anything so weak as that; but when they say, as they do say, if not directly, certainly inferentially, that we are guilty of certain things, they mean, of course, that these things are wrong. If they are wrong, how are they to justify themselves in relation to matters exactly in the same line which they have done? I say we have done nothing that can in the slightest degree justify the attacks which have been made upon us; but I say further, that if you charge that these things are wrong, here are your own actions in regard to the same matters; how do you justify them? I do not plead their example at all. Let us take two or three cases in illustration.

Sir John on Contracts.

Sir John says that if a Conservative tries to get a contract, even if he is the lowest tenderer, he is passed over, and the contract given to some friend of the Government. I might characterise this assertion in one short Saxon word, and say it is untrue; but I am willing to do more, and show you what the results of our system of giving contracts and of their system have been respectively.

The Truth about Contracts.

I went into the matter at considerable length at a previous meeting, and I may just say briefly that during our three years of office, out of 193 contracts let, 164 were given to the lowest tenderers, while out of 280 contracts let in the previous four years only about 193 reached the lowest tenderers.

Amount of Contracts under each Government.

We laid out works to the extent of $19,198,350, and out of that total amount the lowest tenderers received $16,144,475; while they laid out during the four previous years $20,827,752, and of that only $7,045,872 reached the lowest tenderers. (Hear, hear.) In other words, we had sixteen out of nineteen, they had seven out of twenty, given to the lowest tenderers, and yet the Conservative leader has the effrontery to come before a public audience and say that this Administration monopolises the contracts for public works in favour of political supporters. We have so scrupulously avoided doing this that we have been accused by many friends of walking too straight, and leaning back so far that there was danger of our falling backwards.

Mode of Opening Tenders.

I pointed out at Forest that my plan was not to open a single tender myself, but to leave that duty to my principal engineer. The officers of my Department open all tenders, classify them, and decide upon them without reference to the names at all. That has been my system, and I invite any person to say if such a slander as Sir John uttered, when he used these words, was not one of the basest acts of which a public man can be guilty. (Hear, hear.)

Comparative Meanness.

Mr. Mowat, in dealing with Mr. Cameron, said that he thought that that gentleman had done rather a mean thing in misrepresenting certain figures in the Public Accounts; but I can only say that if that is his idea of the meanest thing that Mr. Cameron can do, he had better come up to Ottawa, and we will enlarge his ideas on that subject. (Laughter.)

Steel Rails.

I have found at nearly every meeting I have attended some person or other who was anxious to know something of what I had to say about those famous steel rails—(laughter)—and although I have dealt with that subject at another meeting, I will briefly state a few facts to you in regard to the Pacific Railway matter generally. You are aware that almost every charge brought against us, except those against the financial policy of my hon. friend the Finance Minister and that with regard to the Public Works Department, have been principally in connection with the building or the attempting to build the Pacific Railway.

Pacific Railway a Subject Tories should Avoid as a Plague.

I did think in 1874, at the general elections, and for a year afterwards, that if there was a subject of all others that would be scrupulously avoided by the Conservative leaders, and the Conservative party generally, it would be the Pacific Railway. (Hear, hear.) I did think, sir, that if there was anything which they would wish to be buried out of sight and forgotten, it would be that subject. That they do not choose to do so just shows how far that moral obliquity which characterises the leaders of that party will carry them when they imagine at this moment that it is competent for them to criticise in a hostile spirit the honest energetic efforts of their successors to keep the bargain which they had made with British Columbia, and keep it within the terms of the resolution of the House of Commons, which declared that no increase in the existing rate of taxation should be made for the purpose of building that railway.

Arrangements with British Columbia—Vancouver Railway.

We had reason to believe when we entered office that arrangements might be made with the Province of British Columbia; we sent an agent there to see their Government, and we did ultimately make an arrangement through Lord Carnarvon by which we were to build a road upon Vancouver Island some seventy miles long. We were to expend a certain sum per annum on the mainland. For the present we were to abandon the road on the west end, from Lake Superior to Lake Nipissing, and build from Lake Superior westward within a term fixed at 1890. These were the terms we thought we could fulfil, but we took care to make them conditional on a non-increase of taxation. (Hear, hear, and cheers.) It was of the utmost importance to the peace of this country that this should be done if at all possible.

Sir John Advising Secession.

We knew there were threats of secession rife in British Columbia, and that Sir John Macdonald in his address to the electors of Kingston had actually advised the people of that Province to secede if the road was not built in ten years.

Tories stimulating Discontent in Columbia.

We knew that every effort was being made in that direction to stimulate the people to active hostility to the Government of the Dominion, and that instead of the late Administration aiding us in our endeavour to carry out a practicable modification of their own absurd terms, they treated us first with silent and then with active hostility. So careful were we in regard to the public interest that we promised, in regard to the railway itself, that no contract should be let without the authority of Parliament, except on Vancouver Island, the Pembina branch, and the Georgian Bay branch. This being the position of affairs in the fall of 1874, we had reason to believe that we could get the Georgian Bay branch from near the mouth of the French River, eastward to the point of the ultimate terminus by the Act of 1872.

Georgian Bay Branch necessary to do Justice to the East.

It was not our intention to build around the two great lakes—Huron and Superior—for many years to come; but you will bear in mind that the Province of Ontario had a large amount of money invested in the Grand Trunk, with a port on Lake Huron at Sarnia. I am sure that none of you will forget that the Government had a large amount of money given through the Province of Old Canada to the Northern Railway to reach another port on Lake Huron. We found it necessary, in order to do justice to the eastern Province, to have railway connection with Georgian Bay, which would place them on an equal footing with the west with regard to trans-continental trade finding its way by Lakes Huron and Superior to the terminus of the road. If there were to be a change of Government to-morrow, the new Government would be compelled to build that branch in order to do justice to the Province of Quebec and the eastern Provinces. It is a distance of less than four hundred miles from the mouth of French River to Montreal, and when there they were one hundred miles nearer the Pacific terminus at Lake Superior than they are when they are at Collingwood. We were in fact building a part of the great trans-continental system which has its terminus at Halifax, the greater portion of which we own, to Quebec. We had reason to believe that about ninety miles of the Georgian Bay branch could be built in about two years; and we knew we had about 70, 80, or perhaps 100 miles to build from Pembina northward to the main line on Red River, and from Red River eastward to Lake Superior we had about 410 miles.

Steel Rails Bought on Mr. Fleming's Recommendation by Public Tender.

It was for the purpose of building these sections that these steel rails were bought, at a time when the Chief Engineer, Mr. Fleming, urged on the Government to buy them, as he believed the prices of iron and steel had fallen to the lowest point they had ever reached or were likely to reach. We advertised in all the leading commercial newspapers for tenders. We received tenders, and gave the contract to the lowest tenderers, for 50,000 tons of steel rails. Of these, 12,000 tons have been required for the Intercolonial, so we have only 38,000 tons applicable to the parts of the Pacific Railway which I have alluded to. You are aware that the Senate defeated the Nanaimo and Esquimalt Bill; and though we have 5,000 or 6,000 tons in British Columbia, we are not able to use them, though they may be used within a comparatively short period if we succeed in letting the contracts on the main line. The Georgian Bay branch, for reasons which I will explain, was not proceeded with, and we did not require the rails we expected to use at the time we bought them. These are the facts, and they are facts Dr. Tupper knew in the session of 1875. I gave extracts at a former meeting from his speech on that occasion, in which the utmost he had to say was to express a doubt that we had been somewhat premature in the purchase, but he said he was always ready to give the Government credit for good intentions.

Rail Purchase All Right at First.

It was all right then, and it was all right up to the time when they found they could get no charges that had any foundation, and so set to work to make them. (Hear, hear.) It was insinuated that I had let the contracts to favourities; that a brother of mine was interested in one of them. I might let such an insinuation go for what it is worth. I have lived thirty years in my own county, and whatever may be said of my political opinions, there are not twelve men in that county who would suspect me of moral wrong. (Hear, hear, and cheers.) And I hope the people of Ontario, before whom I have stood for sixteen years in Parliament, will not readily believe that I could be guilty of political wrong intentionally. (Loud cheers.) As I said, I might have passed that insinuation over; but I prefer to meet it directly, and state that no brother or other relation of mine received, directly or indirectly, nearly or remotely, in any kind of way, good, bad, or indifferent, a single cent of profit in that or any other public transaction. (Loud cheers.)

No Person Connected with Mr. Mackenzie had any Interest in Rail Contracts.

While I characterized this as a base falsehood, as I do now, I said that my brother or any relative of any member of the Government has a perfect right to be a contractor provided there was nothing wrong in the issue of the contract. (Hear, hear.) But the entire story was made out of whole cloth—there was not a particle of truth in it. A firm in Montreal, in which my brother was at one time a sleeping partner, were agents of the firms in England who were tendering; but before they became agents at all in this matter my brother withdrew from the firm rather than have the slightest doubt cast upon my position in the matter. (Cheers.) Supposing he had been a member of the firm who acted as agents for the English firm, it does not follow that there was any wrong-doing; but as it is, there never was a more shamelessly untrue accusation brought against a public man in this country. (Hear, hear, and cheers.)

Why don't the Tories at least Attempt to Prove their Insinuations?

And why don't they proceed to the proof if there is anything wrong? Why don't they take a Committee and investigate the matter? I offered them a Committee for two years in Parliament, so that they might call their witnesses and put them on oath, and so ascertain what foundation there was for the story. The reason they don't do so is because that would spoil their little game —(hear, hear)—and stamp them as a set of calumniators. So, instead of coming forward boldly and making a charge in proper form, they go through the country saying to the people, "Well, the thing looks bad; he may not be guilty, but—well, the thing has a bad look about it." (Hear, hear, and laughter.)

A Tory Lady's Views.

I was amused at hearing what a very respectable old Conservative lady said to a friend of mine in Hamilton the other day. She belongs to an old Conservative family, reads all the Tory newspapers, and is a very strong Conservative herself—for of course we cannot get all the good people

to come to us in a day. (Laughter.) She expressed to my friend her very great sorrow that Mr. Mackenzie should be guilty of doing such things as those. (Laughter.) "But," said my friend, "Mackenzie didn't do it." "Well, now," said the lady, "do you think they would put such things in print if there was not some foundation for them?" (Loud laughter.) "Yes," said my friend, "I'm quite sure they do; and what would you think of the Conservative leaders if they did so and so?"

No Pretence of being a Christian.

"Ah!" she replied, "there is a great difference; for you know Sir John doesn't pretend to be a Christian, and Mr. Mackenzie does." (Loud laughter.) With a certain class of good people you see my opponents get the advantage of me, as their friends deal more lightly with them, because they don't pretend to be very good Christians. (Laughter.) I promised at Kingston the other day to mention something regarding the Georgian Bay branch scheme. I notice that in one of the recent Conservative speeches, and in a recent article in a newspaper—I need hardly mention its name—(hear)—it is stated that we gave Mr. A. B. Foster the contract without tenders being invited.

Georgian Bay Contract.

It is simply impossible that any public man or any newspaper could make a statement of that kind without knowing it to be incorrect. (Hear, hear.) Every person knows that tenders were publicly advertised for many weeks for the work on the Georgian Bay branch; that we received a considerable number of contracts; that the lowest was not Mr. Foster's, but Mr. Munson's, a gentleman of whom I know nothing, but who dated his tender from Boston. He was a good deal the lowest, and he afterwards sold his tender to Mr. Foster, whom we accepted as the contractor in lieu of Mr. Munson. It is shown by the official papers that this is correct.

Canada Central Subsidy—Mode of Granting.

Then we are told that we gave, without any tenders being asked, the sum of $12,000 per mile to the Canada Central Company in order to connect that road with the Georgian Bay Branch. Of course we did. There were no contractors that could have tendered for that offer. My friend Mr. Mowat granted so much to the Whitby and Port Perry Railway, the Toronto and Nipissing, the Victoria, and other roads. He could not ask tenders for these grants. We took the power from Parliament in the previous year in the Pacific Railway Act, to give a road connecting with the Georgian Bay branch the sum of $12,000 per mile as a bonus. This was not given to Mr. Foster, but to the Canada Central Company, and that Company let the contract—as they were bound to do under Order in Council—to some one, and that some one happened to be Mr. A. B. Foster, who is one of the principal proprietors of the road.

Money to be Advanced on Rails.

In that Order in Council giving $12,000 per mile there is a provision that when any rails are laid down for this extension anywhere upon the line of the road, 75 per cent of the value of the rails shall be paid to the contractor. The quantity of the rails so laid upon the road was about 2,000 tons—I forget the precise number; and Mr. Fleming, the Chief Engineer, valued these rails at $48, of which seventy-five per cent. would be $36 per ton, the amount that was paid.

None of the Rails Bought.

And yet you have been told within the last few days that we bought two thousand tons of rails from Mr. Foster, for which we paid him $48 per ton. There was not a single rail bought from Mr. Foster; but after the Order in Council was passed, under the Act to which these gentlemen assented, he received 75 per cent. of the amount at which the Chief Engineer valued the rails. That is absolutely the whole story.

Lending the Central Company Rails.

But they say we lent the Canada Central 100 tons of rails. Yes, we did, just as you would lend a friend a few rails to keep the cattle out of his crops, if he could not obtain them otherwise. The truth was, that it became highly necessary to complete the road from Pembroke to Renfrew—a distance of about 40 miles—so as to be in readiness for the fall trade to the lumbering districts. That took 3.600 tons of rails. They were short 100 or 200 tons, and they asked one of my colleagues in my absence for this loan of that quantity of the rails that we had given an advance upon. They really belonged to the Company, but we held a lien for the amount of the advance upon them. That quantity was lent, and they took 227 tons, their gross value being $8,172.

A Shocking Crime for Liberals to Release Lien on 227 Tons of Rails.

This is one of the cases which I will illustrate by a reference to their own conduct in the same respect. They say it was a shocking thing to lend a few tons of rails to finish a road to a point to which it was in the public interest that it should be finished.

All Right for Tories to Lend $10,000 in Cash.

Suppose it was wrong—which we do not admit—what right had they to lend to the Ottawa Gas Company $10,000 in cash without Parliamentary or any other authority, which they did several years ago? (Hear, hear.) I don't think I need say a word further on that subject: for it will be perfectly clear to every one who wishes to give a fair hearing to both sides, that nothing could be more upright than our course in that matter. (Cheers.) I have frequently compared our purchase of rails with the last purchase made by these gentlemen, and you are doubtless aware of how far they have any show of right for complaint in the matter. Ours were bought by public competition at the lowest price that was known at the time, though of course they have gone down to a lower price since, but not quite so low as they say. Last summer we purchased rails by public competition for £8 15s. at Prince Edward Island, and we are buying some this week at about £7 15s.

We took advantage of what we believed to be the lowest state of the market, and the utmost that any person can say is that we should have waited a little longer. As to that, we could not have waited much longer.

Difficulty in Transporting Rails to Interior.

With all our industry we have only succeeded in getting fifteen thousand tons delivered at Winnipeg, on the Red River, and we shall be able this year to have enough graded to take twenty thousand tons in that particular neighbourhood. We have laid fifty miles west of Thunder Bay, and we shall have seventy before the year is over. The purchase was therefore a wise one, and one that could not have long been delayed, and it is also to be remarked that in everything, from first to last, we acted upon the advice of the Chief Engineer.

A Mode of Slander.

Let me refer to one system of slander the Conservatives have adopted. When I produced a letter from Mr. Fleming advising this or that course, they say, "Why, he is sheltering himself behind one of his officers." They say, "You are the Minister; you are supreme, and you can overrule your officers. What right have you to act upon their responsibility ?" My reply is that Mr. Fleming is in his place as an adviser of the Government, and I would not dream of going against his advice as an engineer having a technical knowledge in such matters. But when I act in any possible instance without his advice, they find fault, and say that it is my duty to follow the advice of the Chief Engineer.

They use Mr. Fleming.

Mr. Fleming has been obliged to leave the country on account of his health. He was Chief Engineer to the Intercolonial Railway, he has conducted all the operations of the Pacific Railway, and I need not say to most of you that perhaps no man on the continent of America is more celebrated as a civil engineer, and certainly no one more entitled as an engineer to the confidence and respect of any Government. Yet the moment his back is turned, we find passages in the Tory newspapers declaring that Mr. Fleming has been driven away because Mr. Mackenzie had quarrelled with him, had ill-used him, had overruled his advice. It was said that Mr. Fleming was not allowed to do what he conceived to be right in these matters, and articles were written to show what a scandalous thing it was that an unprofessional man like Mr. Mackenzie should set aside the technical knowledge of an able engineer like Mr. Fleming.

Letter to Mr. Fleming.

I requested my Secretary at once to deny these statements. Then one of their newspapers writes as follows :—

"The Ministerial papers wish to deny that there is any ground for the statement that the Premier and Mr. Sandford Fleming have not been on cordial terms since the contradiction by the latter of a statement made by the Premier in the House. We plead guilty to being the authority for the original statement, and maintain that it is the fact. Mr. Mackenzie and Mr. Fleming parted more in anger than in sorrow, and the Chief Engineer will not be likely to resume his position under the present Government—all Ministerial declarations to the contrary notwithstanding. We might be more specific, but our statement is sufficiently plain to be understood. Mr. Mackenzie emphatically stated a certain fact; Mr. Fleming as emphatically denied it. Result—gloom, coldness, and the departure of Mr. Fleming."

This is a pretty strong statement. I requested my Secretary to write to Mr. Fleming and call his attention to this article, and here is the letter, which was received a few days ago :—

Mr. Fleming's Letter.

31 Queen Victoria-street, E. C.,
London, 5th June, 1877.

Wm. Buckingham, Esq., Secretary Minister Public Works, Ottawa :

MY DEAR SIR,—I have this day received and am obliged to you for your note of the 21st May, enclosing an article from the Toronto *Mail* of the 19th ult., respecting my absence from Canada. The writer of the article is undoubtedly far astray in the statements which he makes and in the reasons which he submits respecting my absence, and it is natural to suppose that I should wish to have them contradicted. The Minister of Public Works has never, to my knowledge, evinced the slightest desire to have me removed from the office of Chief Engineer of the Pacific Railway. On the contrary, he has frequently expressed a wish that I should continue in the position which I have occupied since the beginning of the survey. This wish was repeated before my departure from Ottawa, on the occasion when I stated to him that for private reasons it was absolutely necessary that I should for a time relinquish the active duties of my office. There has been no difficulty in getting on with the Minister; there has not been the slightest determination displayed by him or by any person, or by or on the part of any member of his Government, not to work with me, as far as the Pacific Railway is concerned. On the contrary, due consideration has invariably been given to my opinions and suggestions, and, to a very large extent, the Minister and the Government have been guided by them. It is not to be expected that during the fourteen years I have been a public servant in a somewhat prominent position that there should not at times be differences of opinion between myself and those under whom it was my duty to act. I have occasionally found myself differing from them, and my opinions rejected. I have never, however, shrunk from expressing my views fearlessly whenever I have felt it my duty to submit them. Latterly my professional opinions have generally been assented to, and the Government has been guided by them, and I have had infinitely less difficulty in conducting operations on the Pacific Railway under Mr. Mackenzie than I had as Chief Engineer of the Intercolonial Railway under other authority. I am not aware of any differences of opinion between Mr. Mackenzie and myself at this moment; there is certainly nothing material, or that would in the slightest necessitate any change in our relations. Personal and domestic duties alone compelled me to ask for leave of absence, and with that in view, I spared no effort up to the moment I left Ottawa to complete everything, and leave my office in such a condition that little difficulty would be experienced in carrying on the work during my absence. I submitted to Mr. Mackenzie likewise, that owing to the advanced state of the survey, my absence would now be possible without great inconvenience to him or to the Government, and especially as I left an able man to act for me until my return. Mr. Mackenzie, somewhat reluctantly as it appeared to me, but most kindly, yielded to my views, and in consequence I am now enjoying a respite from the active duties of my office, which I trust I may to some extent have earned.

Believe me, etc.,
(Signed) SANDFORD FLEMING.

(Loud cheers.) I have another letter, received since, which I will not read, but in which he states in effect that he regrets exceedingly that the animosity which prevails in political circles should be

such as to deprive him of that rest which he needs so much, and which it appears he is not to be allowed to obtain. I can tell you that no officer under the Government, no character in public life, no person on earth, will get a moment's peace if their peace stands in the way of these persons' advancement. (Hear, hear.) They will sacrifice everyone but themselves in order to accomplish their ends. Like Artemus Ward, they are willing to sacrifice all their wife's relations.

Tories Inducing Civil Servants to Betray Confidence.

They are sometimes willing to do what no honorable man would do—to burrow among the offices of our Department to obtain secret information and ascertain what is going on. In fact, to such a disgraceful extent has this system of espionage been carried on that we find it sometimes impossible properly to carry on the affairs of the country. Now, with regard to the steel rails and other questions, I do not pretend to justify our course by anything they do, but I say, suppose we do wrong in the direction you intimate, let us examine your record in the very same respect. We say that we purchased these rails at an average price of $54 60 per ton; we purchased them by public tender, by open competition in the market; we gave the contracts to the lowest tenderers, and received what Mr. Sandberg, the celebrated Iron Inspector, said were the finest rails ever manufactured in England—manufactured on a patent got up by our engineer —in every possible way the finest article every made, at $54 60 by open competition.

Comparative Prices and Mode of Buying Rails by both Governments.

They purchased, during the last few months of their reign, about 6,000 tons at an average price of $85 53—(hear, hear, and cheers)—and at the moment we were making a contract for $54 60 we were having their rails laid, purchased without tender at $85 53. (Cheers.) That is not all. I regret exceedingly to have to say one word, even in self-defence, which has to reflect on other persons; but if these gentlemen compel us to allude to their misdeeds the fault is not ours. Their rails were not only purchased without tender, but they were purchased through a relative of one of the Ministers, who was paid 2½ per cent. on the purchase, and that relative paid about £1 sterling per ton less to the manufacturers than he charged the Government, and they paid him the full amount of his charge.

Judgment obtained against Agent of late Government for False Invoices.

I had no doubt in the world that this assertion would be denied point blank by these gentlemen, but in order to place the matter beyond the range of dispute, and in order to show I was not indulging in insinuations, I brought this person before a court of justice in England and got judgment the other day in our favour for £4,000 sterling, but we now find that the person against whom the judgment was rendered cannot be found. (Hear, hear.) The Government are now proceeding in another instance of the same kind, and I have not the slightest doubt that we shall obtain judgment for about £5,000 sterling more.

A Loathsome Business Exposing such Transactions.

While I loathe the task which public duty may sometimes impose upon us, of exposing the transactions of our opponents, still if these people are resolved to challenge enquiry it rests with themselves to do it. I have borne a great deal in the interests of what I may call a phase of public morality, because I cannot conceive anything worse than a number of public men challenging the actions of those who happen to be the administrators of the Government for the time being, simply for the purpose of obtaining a party advantage.

The Difference between the two Parties.

What was the course pursued by my hon. friend the Postmaster-General when he had reason to believe that a great public wrong had been done? Did he go to public meetings in the country and insinuate that a great public contractor had been engaged by the Government of the day to advance money to corrupt the whole electorate of the country? (Cries of "No, no," and cheers.) No, he coolly and deliberately placed a notice in the paper stating that he had reason to believe that this had been the case, and that if he had a Committee of the House he would be able to establish that such a wrong had been done. Why do not they proceed in the same way? (Cheers.) Do they imagine that we shrink from the ordeal of a Committee? that we appoint a commission and appear before it in the triple character of judge, criminal, and counsel? This is the difference between the two parties in this country; and I think I can safely appeal to the electorate of this county, who have always been true to party principles more than to a party, to say whether we have not in all things they have brought against us been true to our principles as Liberals, and to say if we are not in a position again to come before you and demand a renewal of your confidence. (Cheers.)

Kaministiquia Lands.

Another charge which they bring against me at their meetings, and it was also brought up in Parliament at the close of last session, is that I have given enormous prices for land at Kaministiquia River. Dr. Tupper gravely told the people that not only had we chosen a wrong place, but he said that there was a difference of some 24 or 42 days (I forget which) between the melting of the ice at Prince Arthur's Landing and at Kaministiquia. When I tell you that the distance between the two places is about as far as from this grove to Unionville, you will understand just how far he was stretching that particular subject. (Loud laughter.) It reminded me of one of his early attacks in 1876 on the steel rails question. He was giving his views in his own style, as if he knew what he was speaking about, which is very often far from being the case. It is a way he has, and he is certainly remarkably successful. He was talking about iron and steel, and he went on to say, "For instance, there is Mr. Dowlais, one of the leading

men in the trade in England," etc. Now, it so happens that there is no such man, as Dowlais is the name of the iron works. (Loud laughter.) It was exactly as if an Englishman had said, "I'm well acquainted with Mr. Grand Trunk—(laughter)—he is one of the best railway managers in Canada." (Renewed laughter.)

Fort William Terminus Selected by Mr. Fleming.

In relation to the Kaministiquia lands I can only say that Mr. Fleming selected the location, and I know he is right, so far as I am able to judge. We know the ground, which I am quite sure Dr. Tupper does not; and, whether right or wrong, the place has been selected on the opinion of the Chief Engineer, and I believe it is the right one for reasons which are abundantly sufficient. We have a frontage of two miles along the river. Dr. Tupper said there was no settlement there except some one who had put up a rough shanty. I was there fifteen years ago, and I know that nearly all the land was sold before we even commenced to make the survey for the railway. I should say that the survey was ordered by the late Government. Two uprightmen were appointed to value the land—Mr. Hugh Wilson, a surveyor, and Mr. Robt. Reid, of London—and whatever was paid was paid on their valuation, and I have no doubt it is a proper one.

How Lands were Valued Formerly.

Let me tell you what I found on looking over the records of the Public Works Department within the last ten days. What I am about to relate occurred in 1854, within a few months of the time when Sir John Macdonald became a Minister in the Coalition Government that succeeded Sir Francis Hincks' Administration. Mr. A. P. Macdonald, who sat in Parliament while his sons had contracts on the Intercolonial Railway, is well known here as the contractor who took a contract to construct the Chats Canal, which was to be three and one-half miles long, and was to cost, at his price, about $1,670,000. It went on for a number of years. The rock—for there is no land—is in a place where there was no settlement, and where there is none now. There is a horse tramway across the portage at the present moment, and that Government paid Sir Hugh Allan $50,000 for the right of way through property for which you would not give $50, and this was done without valuation by anybody, but simply on the order of the Minister to pay the money. (Hear, hear.) Mr. A. P. Macdonald expended—or at least received—$482,000 as expenditure upon it, and then the thing was abandoned as utterly useless, because the then engineer of the Department, Mr. Clarke, reported that the right place to construct it was about half a mile to the left, where it could be done for half a million, and was about one-sixth of a mile long. These are the men who accuse us of complicity in doubtful transactions with Mr. Foster or some person else. If this harping on transactions about which no shadow of wrong-doing has ever been established is to be continued, we will be able to go a good way back and unearth a great many things which are now supposed to be buried for ever. I feel, ladies and gentlemen, that I have taxed your time and attention too far—(cries of "No, no; go on")—and I will now resume my seat, as there are two gentlemen to address you yet. I can only say, in conclusion, that what I have not said to-day, which I should like to have said, I will endeavour to say elsewhere, and you who read the newspapers will see what answer we make to the accusations of our opponents, and come to your own conclusions as to who is right and who is wrong. (Cheers.) I thank you most cordially for the great kindness you have shown to us to-day. It is an encouragement to every public man to persevere in his duty to have an opportunity of speaking to so large an audience—one which reflects at once the intelligence of the people of this country and the interest they take in its public affairs. (Loud and long-continued cheering.)

THE DEMONSTRATION AT CLINTON.

THURSDAY, JULY 5th.

Speeches of the Postmaster-General and Premier.

The Clinton Demonstration by the Reformers of Huron surpassed in numbers any that preceded it. Indeed so vast a political gathering was perhaps never before seen in Ontario outside of the cities. The attendance was variously estimated at from fifteen to twenty thousand, among whom were leading and representative Reformers from all the Ridings of Huron and a considerable number also from adjoining constituencies. Upon the arrival of the two Premiers and party from Goderich, an Address of welcome was presented by Mayor Malcolmson on behalf of the Corporation, and subsequently Addresses were presented at the pic-nic grove by the Central Reform Association of Huron, Messrs. Mackenzie, Huntington and Mowat replying thereto. Speeches were afterwards delivered by Hon. Messrs. Pardee, Huntington, Mowat and Mackenzie, the other members of the House of Commons and Local Legislature present being H. Horton, M.P., Thos. Greenway, M.P., Col. Ross, M.P.P., and A. Bishop, M.P.P.

At Goderich where the Premier and friends had gone the day before, an Address was presented by Mayor Finlay, and in the evening a large meeting was held in the Market Square, where the Hon. Mr. Mackenzie and Hon. Mr. Huntington each spoke for about an hour, and replied to an Address presented by W. R. Squire, Esq., on behalf of the Reform Association. A grand torch-light procession thereafter escorted the hon. gentlemen to the station, to meet Hon. Mr. Mowat, whence they were accompanied to the residences of Mr. M. C. Cameron, ex-M.P., Q.C., and Col. Ross, M.P.P., whose guests they were during their stay in Goderich.

HON. MR. HUNTINGTON'S SPEECH.

Hon Mr. HUNTINGTON was next introduced, and was very warmly greeted by the audience. He said it afforded him unqualified pleasure to have the honour of addressing the electors of Huron, assembled before him in a multitude so vast and respectable. He remembered an incident which happened when on board a steamer going out of Quebec. Several army officers and a wedding party were on board, and as they passed down the stream they noticed flags and bunting flying from the ships, bands playing, and at every cove the labourers and sailors came out and cheered. These officers thought these honours were for them, and expressed themselves as very grateful. But there was a laugh at their expense when it was known that the father of the bride was a great ship builder, and that the honours were for his daughter, as she sailed away on her wedding trip. (Laughter.) If it had not been for the recollection of this incident he might have felt disposed to appropriate some of these ovations to the chief of the Reform party, whom he supported, and the principles to which they were allied.

No Sign of Tory Reaction.

He had heard that there was a reaction against this Government and against Mr. Mackenzie, and he had come up to Ontario to see evidence of the reactionary movement. He had been along the line of railways from Kingston west, and had seen the great assemblages that gathered to do honour to the leader of the Liberal party and the principles he represents, and everywhere he had seen the same evidence of reaction as he met here to-day. (Cheers.) It was high time that the public should have an opportunity of seeing the leaders of the Government after the movement inaugurated at Kingston by Sir John and Dr. Tupper. He thought Mr. Mackenzie, as well as his colleagues, entertained the same view. He thought no honour could be conferred greater than that which day after day had been conferred by Reformers on them as an evidence of confidence and good-will. No one could make light of the fact that a public man who is worthy of the confidence of those who support him must be sensitive to the appreciation of his friends. To serve a people who did not appreciate must make even an honest man falter, but it must be an encouragement to a public man to go on and labour earnestly and faithfully for a continuance of that confidence and honourable reward that everywhere Reformers had in store for the chief of the Reform party.

Reformers always the Pioneers of Liberty and Progress.

He was not so ignorant, nor were they so ignorant, nor were those who take an interest in the history of the great Reform party so ignorant, that it was necessary to recall the part that had been played by the Reformers of these noble counties in the west in the great constitutional battles that had been fought during the past forty years. Whenever a great reform has been advocated, whenever public opinion has been sensitive to wrong, whenever the people make an effort for the purpose of distributing power unfairly held by a few autocratic men, then the work has been done by Reformers, or by the children of Reformers. He had come here to express his opinion, but it was far from his intention to be distasteful to any one; and while he would be frank, he wished to say he had no desire to hurt Conservatives. But facts were stubborn things, and sometimes they could not be mollified. (Hear, hear.) Dr. Tupper, at one of the recent great demonstrations in honour of Sir John, spoke of the latter as a great and good man, and pointed with pride to the record of this great legislator, and his earnest devotion to the development of the principles which underlie the legislation of this country. Now, Dr. Tupper is but a recent importation into Ontario, but it was said he intended to run for one of the Reform constituencies of the Province, and take the lead in the "amelioration" of this country. He (Dr. Tupper) might have told his hearers that Sir John and his party were violent opponents of the secularization of the Clergy Reserves, which to-day were a noble monument for the benefit of the people of this country. After struggling year after year against the wishes of the people, but in the interest of the Family Compact—which then had more influence man to man than it has to-day—opposing this reform, when he saw his majority had dwindled away he accepted the leek and shilling, and carried the great measure, because Reformers were willing not to put him out of office. Reformers have not been so anxious of office as to sacrifice their principles. In this as in many other cases he (Sir John) was prepared to reverse his engines, so to speak, and turn tail upon his professions. He had also opposed Representation by Population, but his resistance to this measure was not carried very far, and they were to-day realizing the benefits it conferred. He (Sir John) was called the father of Confederation. Sir John Macdonald opposed Confederation. He yielded only when his Government felt the ground slipping from under them; and then it was that the coalition with the Reformers of Upper Canada was formed, and they came together with the determination to carry out Confederation upon such a basis as was agreed upon. He (Sir John) never glorified very much over the Constitution he made. You would think from the way that Conservatives talk about Sir John and his carrying Confederation that he was a William Lyon Mackenzie or a Louis Joseph Papineau. *Apropos* of this question of Sir John's excellence, they need not be surprised that Sir John himself has ample appreciation of the great statesman who stands behind him, and they heard at these Conservative pic-nics that if the mantle were to fall from Sir John it must fall upon Dr. Tupper. (Laughter.) There was a little of "You scratch me and I'll scratch you" in this determination. There were many respects in which Dr. Tupper would be a success. (Laughter.)

Langevin Deposed as the Prospective Conservative Leader.

As a Quebecker he (Mr. Huntington) must call their attention to the sense of relief he and his co-provincials felt at the announcement of the new leader. He asked his hearers to remember the session of last year, when that great and good man, Mr. Langevin, who had been ousted from power with Sir John, was returned to Parliament. When he came to Ottawa it was found that some of the people there, some of the Ontario members of the party, were afraid to touch him for fear their fingers would be covered with pitch, and so, to put him in line, Sir John consented to attend a dinner which was given to Mr. Langevin, and at this dinner Sir John gave him all the excellence that he would have bestowed on St. Peter or St. Paul, and told him that he was the new leader from Lower Canada—the successor to Sir George Cartier. And they of Quebec thought the man to succeed Sir John was Mr. Langevin. He (Mr. Langevin) did not make them feel good, and they therefore accepted the crumb of comfort which this second declaration concerning the leadership gave. They felt like the Frenchman in the story he would relate. In the stage-coaching days in England the travellers were generally provided with beds on either side of the halls of the hotels, in which they could rest while waiting for the coaches. In one of these beds once upon a time lay a little Frenchman, a painter, anxious to secure the coach for Wolverhampton. He was very much disturbed while trying to rest by two of his fellow-travellers snoring. Towards morning the poor Frenchman heard a gurgling sound in the throat of one of the sleepers, and the snoring for his part ceased. The Frenchman at once cried out, "Thank God that one ees dead." (Laughter.) It was with such a feeling that the people of Quebec learned of the political dissolution of the distinguished member for Charlevoix.

The Conservative Party Fighting Without a Policy and Only for Office.

His experience of political struggles in the times which are past told him that when two great parties have been preparing themselves for mortal combat there was some great principle at stake, and upon which the people differed. He asked those who had read the speeches of the Tory leaders to say, if they could, for what principles they were contending. All these speeches contained was the praise of Sir John Macdonald. There was no record in history of a man having his virtues extolled as Dr. Tupper extolled the virtues of Sir John Macdonald. There was nothing more fulsome or extravagant in history in the sense of eulogy than these gentlemen going about the country as humble admirers of the virtue reflected by the member for Kingston. They had made great speeches, but he asked, beyond the eulogy they contained, what were the great principles round which they asked the Conservative party to rally? They say an election is coming on; that there is a reaction in this country which will drive Mr.

Mackenzie and his friends from power, and they say that they expect to get their places. But was there no other object in this great struggle—in this commotion which they are raising? Was there nothing to fight for but the restoration of Sir John to power? Was there no principle to which he is allied—no doctrine which he wished to promulgate? Was there nothing he wished to put upon the statute-book to improve the condition of the country? Excepting perhaps the question of protection—upon which the two parties are divided—he failed to see a single plank in the Conservative platform. When Sir John fell in 1874 he fell under circumstances which forced his party to suffer with him, and which had the effect of demoralizing that party. When Sir John felt his party deserting him, and his adversaries were being returned in overwhelming majorities, he declared in private, and now he repeated it in public, that he would make the people of Canada reverse that verdict; and it was for the reversal of that verdict that these Conservative pic-nics are being held. It was for that purpose that Dr. Tupper told the people that Sir John had done right in taking money from Sir Hugh Allan. The Conservative party went to the country for the sole purpose of inducing the people to declare that the sale of the Pacific Charter for the purpose of carrying the elections was a fair, an honest exercise of constitutional authority. They have no other measure afoot. They prided themselves about the Pacific Railway, but on this subject they were now as dumb as dumb could be. They have not a word to say about it; no policy on this great undertaking. True, they spoke regarding the fiscal policy of Canada, but Sir John's protection resolution read both ways. Their object was to quiet the Pacific Scandal; to reverse the verdict that had been given. The people of Canada must be compelled to reverse the verdict, and declare, according to Dr. Tupper, that Sir John did right to sell the charter, that he did right in taking money from a man who was only his friend for a moment to put down his political opponents. He asked all, Reformers or Tories, if he had overstated the case, and if his description was not true to life? And this being so, it was not much of a wonder that the boasted reaction could not be found. In answer to a question about the steel rails, Mr. Huntington said he was able, and so was the Premier, to give his querist all the information he wanted on that topic if he would behave himself; and when he was informed he hoped he would lay the unction to his heart. (Laughter.) He had said a little while ago that the Conservative party, led by their chiefs, was prepared to go to the elections without one shred of principle—without a desire to place a great measure on the statute-book—the only object being to induce the electors to reverse the verdict of 1874.

The Demoralizing Process Explained.

He desired to call attention to some of the details by which this was to be accomplished. Of course you could not bring the Conservative party to abandon all its principles. You could not take a party of gentlemen and induce them in a suspicious case to forget all their mothers taught them concerning honesty being the best policy, &c., but you could overcome their scruples by stunning them. There are certain men with such a strong sense of what is right and proper that you cannot induce them to do wrong unless you drug them. There are men who cannot be made to follow in evil paths by ordinary temptation. But if you can reach the ear of these, and make them believe that every man is a liar, that there is no morality, you may after a while reduce them to total depravity. That was just what they found in politics. By a judicious exercise of stale slanders, by a judicious exercise of charges of "land sale jobs," &c.—which if they were true, as represented by the leaders of the Opposition, would consign to the penitentiary Mr. Mackenzie and his Cabinet—it is hoped to destroy that sense of honesty which prevailed among the better class of Conservatives in 1874, and bring them up drugged to the polls with the idea that while their leaders are bad, the others are no better. Thus demoralized, the Conservatives will be prepared to do battle as a folorn hope; but they will be under the necessity of waiting for a change with a great deal of fortitude.

Burning Questions Settled by the Present Government.

He had given them a leaf out of his book in regard to Sir John's speech, and he thought it was only fair to call attention to some incidents with which they were familiar. This would strengthen their devotion to the great party of Reformers. When Mr. Mackenzie took office he found the country exercised over the burning questions of that time. These questions had become allied with the politics of the country, and Mr. Mackenzie found himself pledged to deal with them. He found his adversaries prepared to take every advantage, to sow the seeds of dissension and discord in this country, to arouse the prejudices of the various nationalities; but with a wise regard for his principles, by a cool, generous, and patriotic statesmanship, he applied himself to the settlement of these questions. They had the Manitoba affair to settle. Sir John Macdonald had with one voice ordered money to be given Riel to keep out of the way, and with another voice cried, "I wish to God I could catch him." Next, Dr. Tupper, who went to the North-west, returned with the declaration that those people would revolt. Next, Wm. Macdougall marched up the hill with twenty men, and then marched down again. They found many difficulties in this matter. The Conservative papers were trying to fan the flame by working on the feelings of the French and the Catholics, and the Conservatives themselves gave it as their opinion that Mr. Mackenzie was not able to deal with these matters. With what success he had dealt with them they all knew. And there was not a Conservative to-day who would declare that he had not made a fair and successful settlement of this North-west business—it was the best possible arrangement under the condition of things. Then there was the burning question of the New Brunswick School Law, and they knew how that matter had been settled. Next there was the British Columbia muddle, which, perhaps, was the worst thing left by the late Government. Yet this British Columbia difficulty has been so arranged as not only to maintain the confidence of the Colonial Office in the Canadian Government, but to give satisfaction to the Columbians themselves.

Sir John and Sir Hugh—A Knightly Colloquy that Might have Taken Place.

He next alluded to the relations between Sir John Macdonald and Sir Hugh Allan. Suppose these two gentlemen had been successful in their joint transaction, and that Sir Hugh had commenced to build the road. In their business relation in connection with the road Sir John would some day have to say to Sir Hugh, "There is a curve in that road at a certain point, and you must change it." "I cannot change it," Sir Hugh would reply. "But you must," would be given in answer by Sir John. The reply would come from Sir Hugh as he significantly put his hand in his pocket, "Ah, I have got some letters in my pocket, Sir John, some telegrams; I furnished you with some money, and you wrote receipts for the same; if you want me to straighten out that road, I'll straighten out you by producing the papers." Did he (Sir John) believe that Sir Hugh Allan entered into the bargain for any other reason than that of being able to carry Sir John round in his pocket and making money out of him? Sir Hugh Allan cared no more about Sir John Macdonald than he cared about the men who furnished cargoes to his ships. And had Sir Hugh had the good fortune to have secured the Pacific contract, whom did the people think would have been the leader of this country? Sir Hugh Allan or Sir John Macdonald—the one who furnished the money to bribe the electors, or the cowardly traitor who forgot his duty in the fear of being beaten, and prostrated an old and noble party by binding himself hand and foot to a commercial ring? This was the man who, at the recent pic-nics, was said to be the man before all others—the ideal of the Conservative party, and who to-morrow would only lead his followers out to a victory of death, obtained through means which would stink in the nostrils of every honest man in a constitutional country. His banner was not fit for an honest man to be seen under. Let them make another supposition. Suppose Sir Hugh did not succeed in raising sufficient money to carry on the road. Suppose Mr. Mackenzie should fall and Sir John come back into power—[in answer to a voice calling out "Post-office," Mr. Huntington said the post-office was an organization for the transmission of intelligence to men who could read and write—(great laughter)]—suppose that Sir John should be restored to power, did his hearers think Sir Hugh Allan would go in with the Opposition? Did they not think his pocket was still full of evidence of that nest of conspiracy? What reason had they for thinking that the man who would send for "another ten thousand" had not in a hundred ways bound himself to this old commercial man? The testimony taken in the investigation showed that Sir Hugh Allan had declared that he was in possession of evidence which would make these gentlemen dance if they did not do what he told them. They knew how he made Sir George Cartier dance when the latter wanted the road to run north of the Ottawa. He would not say every Conservative was bad, and condoned the acts of Sir John Macdonald, but he would repeat the words of the American politician who declared that every Democrat was not a horse-thief, but every horse-thief was a Democrat, and leave his hearers to apply it. (Laughter.)

Ontario and Quebec Liberals—Tory Attacks upon the Latter.

He should have been glad to have made some allusion to the circumstances under which he was placed, and being a guest among noble hosts to have said something of the Province from which he came, but he had taken up almost too much of their time with other subjects. Ontario contained a great people, with strong evidence of regard for political virtue. And this was only to be expected, as in this Province was the cradle of Reform; and it was here the people had been able, by their ability and material prosperity, to do most for the great cause in honour of which they as Reformers did battle. He came from a Province where they were in some respects less favoured than the people of Ontario, but the Liberals there were not less devoted to the great principles for which they were both contending. There was a time when the great leaders before 1837 were distrusted, and treated with contempt, and their lives were in danger, but they were ever industrious in furthering the principles for which they suffered. But these men had foresight, and they laboured on for responsible government; and it was to these men of forty years ago, whose principles and struggles they honoured to-day, that were owing all the great reforms that had been secured. Their names were now revered by all. There was a bright roll in the Province of Quebec who desired to see the country governed constitutionally, and who made great sacrifices and did as much as any others in their way for the advance of reform. Growing out of this party there has always been in Lower Canada a party fighting for Reform, with more or less success. They have been maligned, as the Reformers of Ontario had been maligned, but having received these great principles from the men who struggled for constitutional liberty, they were prepared to maintain them. He would say that the Liberal party in Lower Canada, knowing the circumstances under which it was placed, had conducted itself in such a way as to win the admiration of all lovers of freedom. Its leaders had always been faithful; its leaders to-day were faithful; and there was not one of them who would not spit upon a proposal to sacrifice his principles. His hearers would remember Mr. Dorion, him whom they said left the House with a lie upon his mouth, and with what distinction he fought the great battles of his time. There were still left men like Mr. Dorion, good and true, from whom the country would receive good service. They were as devoted and as earnest as any of those he (Mr. Huntington) saw assembled before him. Mr. Mackenzie, to aid himself in the government of this great Dominion, this fine young country with its great resources, had selected colleagues from every Province of the Dominion. He (Mr. Huntington) thought in the selection of his colleagues that Mr. Mackenzie had shown a great deal of wisdom. But at the pic-nics of the Conservatives had they not heard it declared that the Prime Minister, the Liberal leader, was a great failure, that another was a scoundrel and a disgrace to his profession, &c.? It was something in this way that Sir John Macdonald attacked the present Minister of Justice, a Lower Canadian,

and one of the most prominent members of Parliament, and one of the most prominent lawyers of his Province. Mr. Dorion, the first Reform Minister of Justice, was attacked when he went on the Bench; his successor, who has been filling a position in the Supreme Court of the Dominion, was characterized by Sir John as a know-nothing; and now they turned their abuse on Mr. Laflamme. Sir John said this Laflamme had committed some very enormous frauds in regard to the Lachine Canal. Mr. Laflamme, with other gentlemen, owned some land which it was thought would be necessary for the Lachine Canal. The Tory papers came out with the declaration that Mr. Laflamme had got hold of those lands in consequence of information furnished him by the Prime Minister concerning the location of the Canal. A law-suit sprang out of the matter. The respondent, who was a leading Conservative, had in his charge all the accusations and insinuations that could be inserted; but the only question that the Court noticed concerned the legality of a "by-bidder" at an auction sale. In England, for a hundred years, it was a question whether "by-bidding" was legal or not. In 1867, however, the question was settled by a judgment in which Lord Mansfield decided in favour of it, but the other judges declared for the other side. In this country the judges held that the French law, which prevailed in Lower Canada, permitted "by-bidding," unless a party could prove that "by-bidding" had been to his detriment. The Court decided in the sense he had mentioned, some of the judges suggesting that there should be legislation regulating this question of "by-bidding." The Minister of Justice was, so far as regards his abilities and his personal honour, beyond criticism, and one worthy to follow his predecessor. There was a warm spot in his (Mr. Huntington's) heart for the Reformers of Huron, who had stood by him in the struggles of the past. He felt greatly encouraged by the reception awarded them to-day. Such honours he accepted as a sufficient reward for all the traducing and vilifying to which they had been made subject by their enemies. (Loud applause.)

SPEECH OF THE PREMIER.

Hon. Mr. MACKENZIE was received with loud cheers. After some introductory observations he said:—It has been my intention at those meetings which we have attended, and those which we propose attending, to speak of specific subjects at each meeting, so far as that is practicable. But I find that at nearly every one of those gatherings there are two or three individuals who are exceedingly desirous, no doubt from the purest patriotic motives, to obtain some special information on the subject of steel rails. (Laughter.)

Bringing Slanderers to Book.

Now, I propose before I go any further to ask the gentleman who interrupted Mr. Huntington while he was speaking by making some remarks on the subject of steel rails, to come right forward to the platform and tell us what he has got to say on the subject. (Hear, hear, and cheers.) I am quite serious in making this request; I know you will all allow him to ask his questions on that subject, and then if I don't succeed in convincing even him that there was nothing wrong or dishonourable, nothing to complain of in my conduct in regard to the steel rails matter, I shall be willing to give up political life. (Loud and long-continued cheers.)

Mr. Johnston states his Case on Steel Rails.

After Mr. Mackenzie had repeated his invitation several times, a person, said to be Mr. Johnston, Deputy-Reeve of Wawanosh, made his way to the platform and proceeded to deliver a speech. He said that "he and others were very anxious that Mr. Mackenzie should explain "how he came to make that purchase of steel rails. It had been represented that a great many "thousands of millions of dollars—(roars of laughter)—had been spent very foolishly in the "purchase of steel rails when the market was at the highest point ever known. (Renewed "laughter.) At that time, when the market was higher than ever it had been before—(laughter)— "the Minister of Public Works, a man who, having formerly been a workingman himself, they "naturally supposed would be better fitted for that position than any one else, went to work "and purchased all these rails at the highest price—(laughter)—when they were not needed. "He wanted to know why they had been bought at such a time, and why it was that these rails "were lying rusting all the way from Manitoba to Halifax, so that the country had to be put "to the expense of buying paint to keep them from becoming entirely useless?" (Roars of laughter.) He was proceeding to refer to other matters when Mr. Mackenzie intimated to him that after allowing him to ask what questions he pleased regarding the steel rails matter, he was certainly not going to give up the time allotted for his speech in order that Mr. Johnston might address the meeting on other topics. Mr. Johnston having been asked if he had said all he wished to say on the steel rails question, and having answered in the affirmative,

Nailing Falsehoods on the Spot.

Mr. MACKENZIE proceeded:—I have often noticed that there is nothing like nailing these people on the spot—(hear, hear, and cheers)—and that I am right I think you will all be convinced within five minutes. I know that not a single one of them who come to meetings for the purpose of making interruptions, under shelter of the crowd, is able to come on a platform and open his mouth without putting his foot in it. (Hear, hear, and laughter.) This gentleman begins by asking me why the Government bought this quantity of steel rails when they were not required, at a time when the prices were higher than they had ever been known before.

Price of Rails Under Late Government, $85—Under Present Government, $54 per Ton.

Now, what will he say, what will his friends who put him forward say, when I tell him that at the very time that we bought these rails at $54 60 per ton we were receiving a delivery of

6,000 tons of rails bought by the previous Government at $85 53? (Hear, hear, and cheers.) He says that $54 60 was the highest price ever paid, and I have the figures to show that they bought them at a price of $31 per ton higher than the figure we paid. Perhaps that gentleman will go to his Tory leaders and ask them to refund the money. (Hear, hear.) Not only so, but we bought them by public competition; we advertised for tenders; we received a great many tenders, and we gave the contract to six or seven parties, all of them the lowest tenderers. They bought 6,000 tons without any tender at all at the price I have named. Nay, more; they gave a commission of 2½ per cent. to a brother-in-law of one of themselves to buy the rails. He bought them and charged the Government of Canada £10,000 more than he paid the manufacturers of the rails. (Hear, hear, and loud cheers.) And when I tell you this I tell you nothing but what is proved from the record. We brought an action against this brother-in-law, and recovered one judgment for £5,000, while another judgment for a similar amount is progressing to execution. (Cheers.) Sir, it is simply amazing to me that any one of those people should have the hardihood to come before a public meeting and mention the subject of steel rails. It is one of the most convincing proofs of the absolute truth of one of the doctrines of my infancy, that the heart of man is by nature totally depraved.

Tory Depravity and Original Sin.

And I think, sir, no one can doubt after this that the heart of the average Tory is deceitful above all things and desperately wicked. (Hear, hear, and laughter.) I am sure you will pardon me for taking one of my old Calvinistic doctrines as an illustration of the political depravity of the Tories. Let me give you in a few words, though I have given it elsewhere, an exact statement of facts in connection with this matter.

The Steel Rails Story Growing with Age.

This gentleman says we bought an enormous quantity of steel rails, and that they are lying rusting from Halifax to Manitoba, and he says that we purchased paint at an extravagant figure to paint the rails so as to preserve them. (Laughter.) Well, that's the first I've heard of the paint part of the story. (Laughter.) It is an entirely new element in the matter. Before this steel rail snowball reaches the end of its journey, goodness only knows what additions will be attached to it. (Laughter.) We bought 50,000 tons, of which 15,000 tons are already laid. We have under construction at this moment where the rails are not laid about 200 miles, which will be almost finished within the next nine months, and it will take us all our time to get the rails carried there that have been bought for that specific purpose. Now, when I tell you in the first place that these rails were purchased by open competition on the advice of the Chief Engineer, who informed us that there was no time to be lost; when I tell you that the contractor was bound by the terms of the contract to have a certain amount of the work done in a certain time, and that we were anxious as far as possible to implement the engagements which our predecessors had made; when I tell you that we bought rails at the lowest price ever known since the time steel rails were first manufactured—and I do not ask you to believe anything that cannot be verified on the record (I have the iron and steel lists of England's commercial record in my possession, which show what the prices were from first to last, and that they were never bought at such low prices as we bought them at)—you will see how much foundation there is for the charges which the Tory leaders make in regard to this transaction. But supposing it were all true that, as these gentlemen allege, they were bought far too soon, that we bought them when the prices were considerably higher than they afterwards were, it might be called an error of judgment, and nothing more—though I deny that we committed even an error of judgment, because we proceeded solely on the advice of the Chief Engineer, and on the belief of almost every iron merchant in the world that the prices had touched bottom.

Another Contrast of Prices, Then and Now, on Spikes—$96 and $54.

But I have a little more to say on this subject. When we came into office, I found that a gentleman who was a member of Parliament, and is now a strong supporter of Sir John Macdonald, had a contract for delivering spikes on the Intercolonial Railway at $96 per ton. A few months afterwards I obtained a contract by open competition for the delivery of the same class of spikes at Fort William at $54 per ton. (Hear, hear, and cheers.) I also found that the same gentleman was supplying common iron nails to the railway authorities without competition—without inviting tenders—at the rate of $6 50 per keg. I purchased them almost immediately after my entrance into office at $3 10. (Cheers.) I found further, that the previous Government were paying for ordinary iron for the Intercolonial, purchased without tender, from 4¾ to 6½ cents per pound, when I could buy it at every blacksmith's corner at 3¼ cents.

Nails and Steel Springs—Prices Then and Now.

They purchased steel springs for the Government railways, without tender, at 21 cents per pound. I bought the same articles immediately afterwards for 7½ cents. (Cheers.) And yet these are the parties who dare to have the assurance to come forward at their meetings and impeach alike the policy and the honour of persons filling, like myself, the position of Ministers of the Crown. There never was a more cowardly attack made on any person, living or dead, than that contained in the charges which these people attempted to fasten on my colleagues and myself in regard to this matter. I have frequently had to challenge the Conservative leaders who go before meetings in the country and reiterate these charges, to name a Committee of Investigation on this or any other subject they choose. But I need hardly say that they did not accept the challenge; for they knew that if the matter were investigated and witnesses put on oath, every one of these insinuations would disappear like mist before the rising sun.

Huntington's Method of Attack Contrasted with Tory Attacks.

What was the course pursued by my honourable friend the Postmaster-General, when he had a charge to prefer against the late Government? Did he go back to some Tory driving-park at Gorrie, or some other such place, and insinuate that everything was not just as it should be —that he was afraid they had done so and so—that if certain matters were investigated such and such might be the case? No; he came before Parliament and said, "I have reason to believe that the Government of the day have deliberately bartered a great charter for money with which to carry the elections." He asked for a Committee in order to prove his charge; but they refused a Committee, and appointed a Commission, before whom Sir John Macdonald appeared in the triple capacity of counsel, prisoner, and judge. (Hear, hear.) You all remember the famous cartoon in *Grip*, in which the same gentleman sat clothed in ermine as a judge on the Bench, another Sir John stood somewhat demurely in the dock, and another stood up as counsel to prosecute the prisoner at the bar. (Hear, hear, and laughter.) Sir, we do not move in such circles. If we are wrong, we are willing to be judged by the act. If we have committed a mistake, we leave the country and Parliament to judge of that mistake. The only motion they brought before Parliament on the subject of steel rails was one which indicated simply that the purchase had been prematurely made. They did not venture to convey any other impression, and that motion was defeated by the largest vote the Government received during the session of 1876. (Cheers.) And still this well-worn subject is made to do duty like a stalking-horse at every Conservative meeting throughout the country; and if there is present to-day an honest, fair-minded Conservative, I submit to his judgment the simple facts I have stated, and ask him if for a single moment any one of his party would be prepared to condemn our conduct in relation to the facts which I have stated? (Cheers.) Now, sir, let us advert for a few moments—for you know I have to get through before six o'clock, and shall therefore have to hurry through a great many topics which I should like to have touched upon pretty fully— to some of the questions connected with the policy of the late Government, and the policy which we have seen proper to adopt.

Conservative Policy.

I see before me very many of the grey-haired veterans who have settled this country, and I see also a multitude of the faces of young persons whom I desire to indoctrinate to some slight extent with the general views which I have of the policy of the Conservative Government which existed before our own, and of the policy of the Conservative leaders of the present time. You will all remember that in 1867 Sir John Macdonald, Mr. Howland, Mr. William Macdougall, and a few other choice spirits were making a tour through the country, telling the people there was no further occasion for continuing the lines which had separated the two political parties in the past, and asking them to join in a grand union of parties having only one purpose in view —that of governing the country wisely and well.

No More Party Lines the Tory Cry in 1867.

So, cried they, let us cast aside our late designations of Tory and Grit, and let us use them no more for ever. Well, sir, a small proportion, probably about five per cent. of the whole electorate, believed in this profession, but it soon turned out that these no-party professions were used simply to obtain a temporary majority by what we may very fairly term a catch vote. I knew at the time that it was utterly impossible for these men to carry out their professions of no-party allegiance with which they came before the public.

The End of the so-called No-party Government.

No sooner were the elections over than the miserable representative—the only representative at the time—of the Liberal party in the Cabinet was sent about his business on the pretext of being made Lieutenant-Governor of Manitoba, and the Cabinet became a purely Conservative one; for Alexander Morris, one of the most decided Conservatives in Canada, the present Lieutenant-Governor of Manitoba, was selected to fill Mr. Macdougall's place as the representative in the Cabinet of the Liberal party at that time. In 1872, as soon as they managed to get a term of administration, the union and progress principle was cast adrift, and they hoisted the party flag again, and their sole aim and object became apparent.

The Tory Flag Hoisted after the 1872 Elections.

That object was not, as they had falsely alleged in 1867, to secure the perfection of our system of government, but simply to endeavour to get and keep themselves in power. Their sole object in coming before the country now is to oust the present Administration and put themselves in their places. In England it has been known that the Government would resign, and the other party, feeling that there was nothing to justify them in assuming the reins of Government, would decline to do so. This has happened once and again within our own lifetime.

Office the Only Object of Tory Politics.

But the question with these gentlemen is not what principles are to be defended in Parliament, or what the Conservative party is to do when it gets into office; the first question with them is to get there, and then they will trust to chance and circumstances to enable them to meet the obligations of the moment. (Hear, hear.) Now, sir, you will remember this, that the Liberal party remained out of office for twenty years, and they accepted it upon such conditions as would not merely give them office, but the hope of carrying our their principles.

Anything for Office Sir John's Motto.—Events of 1864.

In 1864, the Liberal party defeated Sir John Macdonald's Government. One day Sir John spoke strongly against all constitutional changes on principle; he said there was no necessity

for any change whatever, and he refused his assent to any change. That was on the 14th of April. On the 15th his Government was defeated, and then, sir, we said to him, "If you choose to adopt the constitutional changes that we have prepared for your needs ten years ago, you can retain your office—only give us our principles." And they did it. (Loud applause.) They would do anything on earth—they would revolutionize this country; they would sever its connection with Great Britain; in fact, I believe in my heart there is nothing that the principal Tory leaders are not prepared to adopt as a policy—provided it serves to keep or to get them into office. And what has been their course this year, and indeed for the last two years? It has been one of uniform contemptible denunciation of their opponents, with no object in view, without having any principle at stake, but simply an endeavour, first, to unite all the Conservative party together; and, secondly, to detach, if they can, some of my supporters in Parliament or in the country, so as to enable them to reach office.

Office, Office the Staple of Tory Speeches.

I have read their speeches, one after another, and except their violent denunciations of myself and my colleagues as incompetent, as blunderers, as traitors, as fraudulent men, as everything that can be conceived to be bad, there is absolutely nothing in them but intimations that they would have such and such a majority in such and such provinces at the next election, and that they are sure to get in power within the next few months. (Hear, hear.) I believe, and I have always believed, that it would be most disastrous to the Liberal party to remain in power one moment longer than they can keep their principles and carry them into effect by practical legislation. (Cheers.) And although I do not pretend to be lacking in a feeling of pride in the position I have received at the hands of the people of Canada, I do say that I would take infinitely more pleasure in sitting on the furthest back bench of the House of Commons as a purely independent member of Parliament than to occupy the first of the Treasury Benches if compelled, in order to occupy that seat, to propound a policy at variance with my previous utterances to the great party which I have the honour to lead. (Loud applause.) Sir, I hope there is still left in this country such a thing as high-mindedness in political life. (Hear, hear, and loud cheers.) There is such a thing amongst the public men in England, whom it is our humble desire to imitate—those who govern the empire of which we form a part. There was such a spirit in such men as Disraeli and Palmerston and Derby, and who will doubt its existence in the minds of such great political leaders as Gladstone and John Bright? (Loud applause.) I had an opportunity, two years ago, of mixing with these men, and of listening to their debates, and of noticing the decorum which characterizes all their utterances; and I observed the entire absence of the extreme democratic violence which pervades the would-be aristocratic class of this country. (Hear, hear.) But, sir, until we learn to use our own political system and our own Parliamentary life with a view—to use my own words uttered in 1874, and which I reiterate now—to elevate the standard of public morality in this country, you will never find that the great political parties which must manage the Government in this country have reached or can occupy properly the places the country has assigned to them. I do not shrink for one moment from any investigation which these gentlemen may institute into any matters affecting my own conduct.

The Way to Meet Libellers.

The only charge of a personal kind affecting myself was one which was printed by an impertinent and insolent journalist, who stated in plain terms that I had done a certain wrong. I immediately took proceedings against him in a court of justice, and if anybody chooses to make a similar charge in regard to the steel rails, I shall give him an opportunity of proving his charge in a similar way. (Hear, hear.)

Indications of Confidence in the Governmental Policy.

I am glad to know, not only by the presence of this vast multitude to-day, but from what I have learned at other gatherings, that there are indications everywhere over the country that the policy which has been pursued by our own Administration in the past has commended itself to the people of Canada. I may refer to what happened the day before yesterday. Dr. Fortin, who was Speaker of the House of Assembly of Lower Canada, was the member for Gaspe. I knew him well, as a very worthy gentleman, though when we were in Parliament together he sat on the side opposite to me. He was unseated for bribery at the election—not by himself, but by his agents. A new election was ordered, and Mr. Fortin, who was formerly elected almost without opposition, was opposed by our friend Mr. Flynn, of Quebec, a man who had the disadvantage of not living in the county, but who was elected by hundreds of a majority. (Loud cheers.) Mr. Speaker Anglin has been again elected member for Gloucester by a majority of 350, notwithstanding all the abuse which has been heaped upon him, and the gross injustice with which he has been treated by the Conservative press. Every kind of means is being used by our opponents which they hope will help them in carrying the elections. In Lower Canada the Liberals of that Province—I mean the political Liberals—have been denounced by the supreme ecclesiastical authority there, and the Opposition hope that this will prevent the free exercise of the franchise by the electors of that Province.

How Charlevoix was Lost.

It is well known that it was by such means as these that Charlevoix was lost to us. Mr. Langevin was unseated, the whole Court, Catholic and Protestant, concurring in the opinion that the means employed in his favour were improper, unjust, unlawful; and after he was unseated he was returned to Parliament by so small a majority that it was a mere chance whether he was returned or not.

The Reaction in Favour of the Government.

Then in the county vacated by my honourable friend the Minister of Agriculture, Mr. Pelletier, the Liberal candidate, was defeated by a small number, his defeat being doubtless due to this same influence and agency; but a few weeks later, when that agency was removed, one of our own friends was re-elected for the Local Legislature in the same county—thus indicating that, instead of there being a reaction in favour of the Conservative element in political life, the reaction has set in the other way, and that there is no shadow of a doubt of the main Provinces of the Dominion retaining almost, if not entirely, the relative positions which they now occupy.

Present Party Relations of the House of Commons.

I was not surprised at our losing some counties since the general election. We then elected about three-fourths of the whole House, or at all events 133 or 134, while the total number was 206; and we knew that some seats which were carried might be lost to us on a future occasion. The total result since the general election is that we lost 13 seats, and the Opposition party 4, leaving a difference of 9 from what it was at the general election.

Sir John the only Tory Leader.

I know very well that with the great Province of Ontario, if there is any difference it is simply because such causes as those I have alluded to have prevailed, namely, that the Conservative party are determined to reunite on their late leader, no matter what may have been his sins, no matter what are his proclivities. They are determined again to unite on him, to let him carry their banner as of old, hoping that his personal popularity and the great ability which distinguishes him as a public man will enable him to recover and retain his old place. That is a matter which will rest with the people of this country themselves. I am not disposed to boast, because boasting, like scolding, accomplishes little.

Perfect Confidence in the People.

But I am merely disposed to say this—that I have not only entire confidence in the people of my native Province, but in the public opinion of the country, which I believe to be sound over the greater part of the whole of this Dominion. But, sir, whether they shall succeed or not, whether that wave which they call a Conservative reaction shall bear them into office or not, it makes no difference whatever to the policy of the Liberal party. (Hear, hear, and cheers.) Our policy is to carry out our views when we are in the Government, and when we cease to be able to do that we will be willing to pass out, as my friend Mr. Mowat did in 1864.

The Liberal Policy in 1864.

He and his friends had a majority in the House ; it is true it was only a majority of some one or two, but still it was a majority. The Opposition was rather factious, as the same Opposition are now, and the consequence was that they had votes of want of confidence every day; in fact we had them for breakfast, dinner, and supper. (Laughter.) It was impossible for one of us to go out and wash our faces for fear we would be voted out in our absence. (Laughter.) But Mr. Mowat and his colleagues, rather than submit to this kind of constant torture, resigned their seats and let the Conservatives come in. A month afterwards they were defeated, and then they adopted the Liberal policy, and gave us anything we wanted if they were only allowed to retain their places. (Hear, hear.)

The Commercial Depression.

A good deal has been said of late regarding the commercial depression which has existed over the country for the last two or three years ; and in that respect the Liberal party has undoubtedly been most unfortunate. We came into power at the moment that Mr. Tilley, the Finance Minister of the late Government, had announced his belief that the importations of the country could not be kept up, and that more taxation would be necessary next session.

Mr. Tilley's Announcement of More Coming Taxation.

We came in at the time when our moneyed institutions were feeling the strain imposed by the inability of dealers to sell their lumber and manufactured goods, and by the general want of prosperity which prevailed alike in Great Britain and the United States. And, sir, we had to contend with these and other difficulties. My friend Mr. Mowat has alluded to-day to some of the causes of the prosperity which existed from 1867 to 1873, but he did not mention the one great fact that during that period the sum of nearly $17,000,000 had been expended on the Intercolonial, and on the Ontario railways not less than about $20,000,000.

The Cause of the Inflation from 1867 to 1873.

These enormous sums being circulated through the country gave a temporary and fictitious prosperity to many branches of trade, and when these heavy expenditures ceased, those branches were the first to feel the depression. The Government were then the first to have the blame thrown upon them of having accomplished something like an injury to the country.

The Interest of the Government is all in Obviating any Depression.

Some people appear to think that the Administration had some object to serve in producing a depression ; but it must be very obvious that not only our prosperity as individuals, but as a Government, is bound up in the prosperity of the country, and that we are bound by our interest as well as by our duty to do all in our power to promote that prosperity. When our manufacturers made a demand for more protection, it was in vain that we pointed out the fact that in the United States, where protection was adopted as a principle, the result was that prices were much higher, money was much scarcer, and labour worse paid than in Canada. (Hear, hear.)

It was in vain that we pointed to the interest of our working classes, as they are called ; though the truth is we are all working men in this country (hear hear) ; we have all to live more or less by the exercise of our industry.

Effect of Protection on Labour and Prices.

But on behalf of the great mass of our working population we pointed out that according to official statistics in the United States the prices of labour rose from 1860, when their protective system began, to 1873, when an agitation of a decided character sprang up against it, exactly sixty per cent.; that is to say, a man who received $1 before received $1 60 then, while the prices of commodities entering into household consumption rose 92 per cent. ; so that the working man who has to buy his clothes, his food, his tea, and everything required by himself and his family, would have to pay 32 per cent. more than the increase in the price of his labour. In other words, he was a loser to that extent. (Hear, hear, and cheers.) We found at Philadelphia last year that we could hire all the men we wanted in that great city for 90 cents to $1 10 greenbacks per day, while at Ottawa we had to pay $1 25 in gold to our workmen. (Hear, hear.) But the manufacturers, many of whom were our own political friends, were under the impression that a system of protection would not only benefit them, but the farmers as well, by opening up a home market for agricultural produce.

Protection to Farmers a Delusion.

Well, sir, it is an utter delusion. (Hear, hear, and cheers.) It is utterly impossible that the prices for farm products can be raised here except by a rise in the markets of the world, and these are controlled by England. (Hear, hear.) I remember making a tour in the Western States a few years ago, just before I assumed office. I not only made a tour on the railway, but I drove a good deal across the country. I found on inquiry among the farmers of Iowa that while we were getting $1 15 in gold for our wheat, they were getting 87 cents in greenbacks ; and in the matter of cattle we were getting nearly 40 per cent. more than they were, on account of the long transportation. They found these rates so unprofitable that they almost ceased production. At the same time I met a clergyman who came from that country every year to visit his friends in London, and he could pay his passage both ways and have something over on the difference between the cost of a suit of broadcloth in Canada and in Iowa. (Hear, hear.) I found that every agricultural machine was about 50 per cent. higher there than here, and with regard to boots and shoes and many other articles the same was true. (Hear, hear.) I tell you this system of protection for protection's sake is a fallacy and a mistake, and the effect it would have upon such of you as are farmers would be, that you would get nothing more for your produce, and you would pay perhaps 50 per cent. more for everything you have to buy. (Hear, hear, and loud cheers.) I have to appeal to the great farming community of this country. I know I cannot sustain myself or the Administration except with their help and support.

Protection to Manufacturers only a Momentary Benefit.

I have to appeal to the manufacturers as well. I pointed out to them a year ago, when they came to me, that it was quite possible we could benefit them by excluding all other manufactures of the kind manufactured by themselves, thereby enabling them to charge their own prices ; and when they say that they would still be able to sell at their old prices, one naturally asks, "If you can, why do you ask for protection ?" As to the effects of protection, I would instance the shipping interest of Great Britain.

Protection Exemplified in United States Shipping and British Shipping.

Up to 1860—at which time the British tonnage laws were repealed, and the laws of navigation changed to throw open the commerce of Great Britain to the whole world—because there was freedom of commerce in the United States' marine, their ships pushed far ahead, and even threatened soon to overtake our boasted British supremacy on the ocean. But after the restrictions were removed in England—after a man was allowed to build a ship of such a shape as he pleased and to go where he wished, this open competition had such an effect that the British marine bounded forward, and it is now double what it was at that time, and is so far ahead of the United States' marine that the latter is not worthy to be mentioned in comparison with that of Great Britain. In 1873 the foreign trade of the United States at the port of New York was in the proportion of 73 per cent. of American bottoms, to only 27 per cent. of those of all other nations. Last year, under the operation of the system of protection which now prevails, there were twenty-one per cent. of American bottoms, seventy per cent. of British bottoms, and about ten per cent. of those of all other nations. I mention that as a simple illustration of the effects of protection.

Exportation of Cattle.

A great trade has sprung up lately in exporting cattle to England, that being the determining market as to the price of beef as well as of grain. A large number of farmers, distillers, and brewers are importing young and lean cattle from the Western States and then exporting them. A large amount of corn is being imported, and it would confer no appreciable benefit on our farmers to have a duty on that article, while it would have the effect of stopping a great and lucrative trade. I will give you an illustration which is taken from the experience of my friend Mr. Rymal, who is himself a farmer. He took fifty or sixty bushels of barley to the Hamilton market and sold it at $1 50 per bushel. (I assume a price.) He bought the same quantity of corn for some fifty cents per bushel. He took the same number of bushels of corn back as of the barley he had brought to market. He had from it food for his cattle and had some $20 in cash besides. That is an illustration from which you will see plainly what would be the effect of protection upon the agricultural interest, and what is the effect of allowing our farmers to buy in the cheapest market and sell in the dearest.

Pleasant to Protect Everyone, and Make All Rich.

Nothing would give me greater pleasure or satisfaction than that I should be able to make everybody rich by protection, provided nobody had to pay for it. But it will occur to you, and to every one who considers the subject, that it is utter nonsense to talk of finding a royal road to wealth.

No Royal Road to Wealth.

Wealth is only obtainable by industry, and we are not such fools as to sell peas or any other articles to the United States if we can sell it for a higher price in England. Our produce will naturally go to where the highest price prevails. Prince Edward Island sells all her oats to England. We send a good deal to the United States. We send a large quantity of peas to the United States, as well as our surplus wheat, though Dr. Tupper says we do not grow enough wheat for our own consumption. (Laughter.) While I do not admit the accuracy of that, suppose we do not, what would happen? We should be compelled to buy some flour and wheat in a foreign market, and he thinks it would be a great benefit for us if we were compelled to buy some for our own consumption and pay taxes for it when we got it. (Hear, hear, and laughter.) That is his logic. Look at the matter as you please, you will find that the only true road to national wealth for the farmer, the mechanic, or the manufacturer, is to remove all restrictions from trade that it is possible to remove.

The Effect of the Repeal of the Corn Duties on British Farmers.

I am old enough to remember the time when the great anti-corn-law agitation was carried on in England. I have heard George Thompson and his compeers, Cobden and his friends, at meetings, denouncing these corn laws, which imposed a duty on wheat and other grain though they could not raise enough for their own maintenance, and I remember that the farmers were almost rioting in some districts, believing it would be ruinous to them if the duty were abolished. The fact is that they became very much more prosperous since than they had been before. At that time the average rent in England and Scotland, if not in Ireland, was about £2 sterling, and when I was in the old country in 1875, I found that the same farms rented for £3; and farm servants who had formerly been receiving £10 or £12 sterling and board, were now receiving from £20 to £24 and board, and their houses were very much improved.

Agriculturists Prospered on Removal of Protective Duties.

In fact, when the protection was removed, the whole agricultural interest seemed to bound forward into a state of greater prosperity, which affected landlord and tenant alike. If we are true patriots, we have to work, not for the benefit of one class, but for the benefit of the entire interests of the country which we have in our hands, and it would be an evil day for Canada if the attention of our farmers were diverted from its proper functions by their endeavouring to make money by vainly obtaining a duty in the shape of protection to cereals. It could not be done except in the single article of corn. As regards the manufacturers, as I have already told them, they might for a moment get a higher price after the duties were increased, but the effect would certainly be to introduce disorder and disorganization into our whole trade system.

A Revenue Tariff or Direct Taxation.

You have now a 17½ per cent. tariff for revenue purposes, and if we impose more you will get a higher price for your boots and shoes, machines, &c. But we must have a revenue, and as we could not raise it on a higher tariff, you would be obliged to pay property taxes or a poll tax to make up the deficiency. There would be nothing left for us but to appoint an assessor to go round and make a direct levy on the people, and that is something which, I fancy, none of you would like to see. (Hear, hear, and cheers.) Apart altogether from the question of its wisdom as a fiscal policy, I am sure I have only to mention it to show that it would be neither palatable nor convenient to you that such a system should prevail for raising a revenue. (Hear, hear.) I am aware that in some counties certain gentlemen are very fond of calling themselves the farmers' friends. I believe Mr. Farrow figures in this county in that capacity. Dr. Orton proposes protection as a panacea for all the ills that farmers' flesh is heir to, and I remember once giving great offence to that gentleman by saying that I thought he knew a good deal more about calomel than he did of what was good for the interest of the farmers. (Hear, hear, and laughter.) I am afraid these self-styled farmers' friends are rather suspicious gentlemen, and that they fancy that our farmers are a very simple lot of people. They are like the demagogue out West, who appealed to the sympathies of the farmers because, as he said, he was a farmer himself, his father was a farmer, and so was his grandfather. "In fact," he said, "I might say I was brought up between the rows of corn," when some irreverent fellow in the crowd shouted out, "A pumpkin, by thunder!" (Laughter.) I don't want to call any one names—(laughter)—but I'm half inclined to think that these two gentlemen, who so loudly proclaim themselves as *par excellence* the farmers' friends, will be found, if you only probe them, to be but very sorry specimens of a certain kind of vegetable. (Loud laughter.) I think you will see that, to put it mildly, this remedy of theirs has a very suspicious look about it. They say, "Don't the Americans put so many cents a bushel on our wheat? Why not put as much on theirs?"

Willing to Tax Americans if we can Collect it.

I say "Yes, by all means, if you can only get it." (Hear.) I am willing to tax the Americans as much as you please, if you can only collect the tax after it is imposed. We tried it once, and the result was that a number of loads of wheat came in before the change in the tariff was known, but after that they avoided our shores, sent their wheat to England through other channels, or in bond, and so the entire amount we collected in about a year and a quarter was

only about $120,000, and the next year we would have got nothing. (Hear, hear.) Our canal traffic would be injured, and the mills which are built all along the frontier for the milling of United States wheat would be left idle. A miller asked me at Newmarket why we didn't give the same protection to flour that we gave to other manufactures, and I said: "Simply because it would be of no use to you. Your flour is sent to England, or to any other place where it can be sold."

Tax on Flour Wrong and Useless.

"Now, suppose a duty were imposed that would enable you to go to the Lower Provinces (where they raise no grain worth mentioning, and no wheat), it could only be got in this way. The fishermen in Nova Scotia, New Brunswick, and Prince Edward Island have a considerable trade with Portland, Boston and other towns in the United States. They sell their fish and bring back flour, generally as ballast, carrying it for 10 or 15 cents per barrel. If we were to impose a duty of 25 or 50 cents on flour it would destroy these people's trade in time, which amounts to perhaps 40,000 or 50,000 barrels per year. To the extent of that duty on the flour which goes by Boston and New York our millers might get the advantage and no more, and that, if spread over the millers of this country, would afford them perhaps one-ninth of a cent per barrel on the flour made in Canada." (Hear, hear.) But even if it did afford them more, how can you go to work and tax the people's bread in the Lower Provinces unless you allow them to tax something elsewhere? (Hear, hear.)

The Tax on Coal—Cost of Free Coal in Goderich.

They tried last year to carry a tax on coal. I asked a manufacturer in Goderich, who is not a political friend of mine, how much he could get coal delivered for at his establishment. He said $3 per ton; but if he had to take his coal from Nova Scotia he could not get it delivered below $7 per ton. (Hear, hear.) Yet it was deliberately proposed that the great Province of Ontario should tax itself, injure its manufactures, and starve out the people in our cities who use coal, by imposing a duty on that article.

Protection as a Principle only Just when all Enjoy it.

As soon as you begin a system of protection for protection's sake, everybody must be protected, and then the country will be so much the worse off by the cost of doing the work of collection. Whatever policy is adopted in these matters, it should be one which affects all persons alike, and does equal justice to all classes of the community, whether farmers, mechanics, or manufacturers. (Cheers.) But there is another phase to this question. I have said to the manufacturers, "Gentlemen, if you are determined to have protection as a system, that system must extend over all."

Labour must be Protected by Excluding Immigrants.

"There are mechanics coming in thousands from England to Canada and the United States, and if you are to have protection on the articles you make, we must have protection for our labour. We must not lower the price of wages while we raise the price of your manufactures. (Hear, hear.) You must go to the very foundation, and protect our labourers as well as others." I now propose to refer to two or three statements made by Sir John Macdonald at some of the recent Conservative gatherings. There is nothing, I am sure, which tells more upon the public than to find disinterested conduct on the part of Ministers and public men generally; and when Sir John said that not one of his colleagues ever accepted lucrative offices while they were Ministers of the Crown, he made a statement which no doubt commended itself to the people to whom he spoke. Sir John says:—

Sir John on his Colleagues' Greed for Permanent Offices.

"Sometimes they disappeared from ill-health, sometimes because they could not secure their elections, and sometimes because old age had come upon them; but I don't now remember a single one of my colleagues who sought a refuge for himself in a public office after having been honoured with a seat in the Cabinet."

Now, if this statement had been strictly correct, it might have been a matter upon which they might indulge in a little self-congratulation, though, for my own part, I can see no reason why distinguished members of the Cabinet should not fill important offices in the country. (Hear, hear.) But let us see how his statement tallies with the truth.

Specimens of Sir John's Colleagues who would not "Seek a Refuge."

Mr. William Macdougall was a member of his Government since 1867, and he was appointed Lieutenant-Governor of Manitoba. (Hear, hear, and laughter.) Mr. W. P. Howland was a member of his Cabinet, and he was appointed Lieutenant-Governor of Ontario. Mr. Archibald was a member of his Government, and he was appointed Lieutenant-Governor of Manitoba, and afterwards of Nova Scotia. Alexander Morris was a member of his Government, and he was appointed Chief Justice of Manitoba, and afterwards Lieutenant-Governor of that Province. Christopher Dunkin was a member of his Cabinet, and he was appointed to a seat on the Bench. Joseph Howe, a member of his Administration, was appointed Lieutenant-Governor of Nova Scotia. Sir Narcisse Belleau, a member of his Government, was appointed Lieutenant-Governor of Quebec. Mr. Hugh Macdonald, a member of his Cabinet, was appointed a judge in Nova Scotia. Mr. Tilley was a member of his Government, and was appointed Lieutenant-Governor of New Brunswick; and Sir Edward Kenny, another of his colleagues, was appointed Administrator in Nova Scotia. (Hear, hear.) When Sir John Macdonald ventures before any audience in Canada to make such a statement as that, he must not only have a very bad memory (laughter), but he must fancy his hearers know nothing of the political history of their country. (Hear, hear.) I have given you a list of ten Cabinet Ministers who were appointed to office, being at the rate of two per year while they were in power.

Reform Ministers who Accepted Office.

What has been our record in the same respect during the four years we have been in office? We appointed Mr. Dorion Chief Justice of Quebec; Mr. D. A. Macdonald, Lieutenant-Governor of Ontario; Mr. Fournier, a Judge of the Supreme Court; Mr. Ross, Collector of Customs at Halifax; Mr. David Laird, Lieutenant-Governor of the North-west; and Mr. Letellier, Lieutenant-Governor of Quebec. We have made six appointments in four years; they have made ten in five years; so that they made at the rate of two per year—we made at the rate of one and a half per year, of the very class of appointments which he condemns. Now, I don't condemn it.

Chief Justice Dorion.

I think, for example, it was extremely fitting that such a man as Mr. Dorion should be made Chief Justice of his native Province. I think he was more entitled to such honour than any man then in public life. His name I can scarcely mention without a feeling of reverence, for if ever I had a sincere affection for one of my own sex—I have had an affection for the other—I had that affection for Mr. Dorion. A man so pure-minded, so religious, so devoted to his country, so disinterested, I have never known in my whole political life—(loud cheers)—and, sir, even this man has been assailed over and over again in the grossest and most virulent style by the leaders of the Opposition. Mr. D. A. Macdonald was appointed Lieutenant-Governor of Ontario. He was a distinguished Catholic, a native of Glengarry, where his grandfather was born. It was supposed by some people that because he was a Roman Catholic his name would be received with disfavour; but I am proud to say that no man could have more successfully performed the duties of his office than he has done, and that no one deserved his office better. (Hear, hear, and cheers.) So with the rest of the appointments I have named. I might name others made by them before Confederation, but during the time that Sir John was either Premier or a leading man in the Government.

Specimens of Sir John's Colleagues before 1867 who would not "Seek a Refuge."

They appointed Mr. Draper a judge, Mr. Vankoughnet a judge, Mr. Morin a judge; Mr. Morrison and Mr. Sherwood were made judges, and Mr. Spence a Collector of Customs. All these gentlemen were members of Conservative Administrations, so that we have here a list of sixteen of such appointments as those to which Sir John referred, and all made within a comparatively short space of time. And yet Sir John told you the other day that he did not remember a single member of his party who had accepted a lucrative office after being a Cabinet Minister.

Reform Legislation.

At another meeting Sir John undertook to jeer at the legislation of the Reform Government, and Dr. Tupper very coolly told the people that the measures we passed were measures that they had prepared and left in their pigeon-holes when they left office. Well, I can but say that the only things that we found in their pigeon-holes—and we found them in very great abundance—were appointments to office, made after they had lost the confidence of Parliament. (Hear, hear.) They did not leave a single measure of any kind, prepared or partly prepared, from which we derived a particle of benefit.

Tories Preparing Offices for Friends, not Acts of Parliament for their Successors.

I may tell you that instead of leaving measures partly prepared, they seemed to have occupied their time during the year before they went out of office—and when they must have known that a cloud was hanging over their heads, and likely to burst upon them with extreme violence—in preparing every conceivable sort of scheme for keeping themselves in power; and during the last month of their *regime*, when they found they had no hope of remaining in power, they created offices by the score and by the hundred. (Hear, hear.)

The Appointments made in October, 1873.

You will find in the records that are published, that on the last day before they had given up the ship they had made many appointments, and they deliberately altered the date of the letters to make them look as if written upon the 6th instead of on the 7th. Did this gentleman who never appointed one of his Cabinet to office remember when he made that statement that on the 22nd of October, 1873, the very day on which Parliament met, he appointed one of his colleagues, Mr. Tilley, to a Lieutenant-Governorship?

Mr. Tilley as Lieutenant-Governor.

That the Government hung on for two weeks after that time, but the appointment remained, and that the very day they went out Mr. Tilley, after telling the House that he intended resuming the debate next day, got his commission and walked off—a Lieutenant-Governor? (Hear, hear.)

Mr. Hugh Macdonald as a Judge.

Mr. Hugh Macdonald at the same time had his appointment as a judge in Nova Scotia; he kept sitting in the House with Mr. Tilley, though, like him, he knew his appointment was made. The only thing necessary was the signing of the commission, and it was signed the same day. (Hear, hear.) Yet the leader of these two gentlemen tells us that for the life of him he cannot call to mind a member of his Government who accepted an office! (Laughter and cheers.) Sir John says that for long years he was occupied in introducing the civil and criminal laws which were to govern the country; that many of these laws the then Opposition strenuously and factiously opposed; and that many of our laws are but copies of old legislation.

The Way Sir John Prepared his Legislation.

Well, that is a pretty extensive statement—even for Sir John Macdonald. (Laughter.) I can only say that a great many of the laws which he says he spent long years in elaborating were copied by the clerks in his office, with some slight amendments, from English laws. None of the laws to which he refers were original, but they were merely copied into Dominion statutes. Up to the time that any particular law was changed, the old laws prevailing in the Province of Canada continued to have force, and as soon as they were enacted in the Dominion books they became Dominion statutes. What he did was simply to introduce the old statutes, making such amendments as were necessary in the new state of affairs. He says we opposed him "factiously and strenuously." Well, if he is to hold any more meetings I would like him to take the journals of the House and the reports of the debates with him, and show the public from the records a single one of these laws that we opposed factiously and strenuously. (Hear, hear.)

An Invitation to Show the Proof.

Let him point out one that we opposed at all. Why should we oppose criminal laws which we must have? Instead of doing anything of the kind, we devoted ourselves as an Opposition to cementing the new system, and I was repeatedly complimented, as Mr. Huntington and other members of the House will remember, as the "distinguished member for Lambton," because I assisted them when some of my colleagues were not very strongly disposed to do so. The statement is utterly devoid of truth; it is just as far from the facts as his statement that we used their measures, and that we did not repeal any of them.

The Volume of Liberal Legislation.

Why, Mr. Blake, as Minister of Justice, passed through thirty Bills last session. We passed altogether forty-three Bills, and by these we must have repealed fifteen or twenty of the statutes that Sir John referred to. Let us look for a moment at the bulk of their legislation and ours. The number of Public Acts passed in 1867 was 17; in 1868, 58; in 1869, 45; in 1870, 40; in 1871, 34; in 1872, 43; in 1873, 66; and 1874 (our first year), 53; in 1875, 56; in 1876, 39; and in 1877, 50. And of Private Bills there were introduced and carried in 1867, 4; in 1868, 10; in 1869, 28; in 1870, 19; in 1871, 24; in 1872, 74; in 1873, 60; in 1874, 67; in 1875, 42; in 1876, 36; and in 1877, 38. The average number of pages of statutes which we passed was 429; the average number of Acts, public and private, 95; while their average number of pages was 386, and of public and private Acts 74½. (Hear, hear.) Now, sir, let me enumerate a few of the leading Acts which this Government introduced and carried. You all know that during our first session we introduced and passed an election law which simplifies the general election system very materially. By the old plan, which Sir John maintained to the last, it required three or four months to get over an election. He issued the writs for his own counties first, and then for ours, so that he could send his men into our counties and keep us constantly fighting with all the influence of the Government. When we came into power we voluntarily gave up any advantages we might have under the old law, and as soon as possible passed a Bill by which all the elections are held on one day. (Loud cheers.)

Controverted Elections Law a Measure by the Liberals.

Thus you find that our opponents are taking credit for being the authors of the Controverted Elections Law. Why, sir, that is purely and wholly a Reform measure. Mr. Blake introduced it, and they voted it down; and after the election of 1872, when they had got the use of the Pacific Scandal money, when they knew that they had not a majority of over twenty in the House—and we reduced it on one occasion to sixteen—when they found they could no longer resist the passage of the Controverted Elections Law, they took Mr. Blake's Bill, reported, introduced it themselves, and passed it. It was a good one in some respects, but Mr. Blake on coming into office put it into proper shape.

How Tories and Liberals Managed the Intercolonial.

When we came into office we found that four commissioners were conducting the affairs of the Intercolonial Railway, one on a salary of $4,000 a year, and the others on a salary of $3,000 a year, one of them being a member of Parliament. I introduced an Act at once to abolish the Commission and make it a duty of the Minister of Public Works to conduct the Intercolonial Railway as a public work in Canada, and we saved by that means the sum of $10,000 per year.

The Military College.

So we passed laws relating to the Military College, we amended the Libel Law, passed the new Building Societies Act, the Registration of Shipping Bill, and the Supreme Court Bill. Let me say a word or two about the last named of these.

Supreme Court Bill.

Sir John said at some meeting that he had prepared the Supreme Court Bill. He never prepared a Bill of any sort about the Supreme Court, but he did pay a Toronto judge $500 to prepare a Bill, which we did not accept, though we had as good a right to use it as they, seeing that the country paid for the Bill. That law was promised several times, but they never were strong enough or determined enough to pass it. They had an opposition to it in Lower Canada which they could not overcome. We passed it at once, thus providing in a broad, patriotic sense for a final Court of Appeal in our own country, instead of sending litigants to England, where many of our comparatively poor people had been ruined, and where the rich had almost a certainty of winning against the poor suitors. Sir John and his friends factiously opposed the measure.

They tried to prevent it being made a final Court of Appeal, and at one of his meetings last year, thinking he had the secret ear of the Colonial Office, that he could move the strings in England, he told the people that a little bird had whispered to him that our Act would be disallowed.

The "Little Bird" that Told Falsehoods.

But that little bird is something like some Tory leaders. It could not, or does not, always tell what is exactly true. Our Act has not been disallowed, but, on the contrary, it is the admiration of English and Canadian lawyers for its completeness, and it has been eminently successful in its operation.

The Election Law.

I forgot to tell you how often an Election Law was promised by the late Government. They mentioned it in the Speech from the Throne about five times. They introduced one once, but it was such an abortion that none of their own friends would have anything to do with it, and the brat was put quickly out of the way.

The Insolvency Act.

They promised repeatedly to introduce an Insolvency Act. They got Mr. John Abbott, a prominent man on the Conservative side, to introduce one, the Ministry conveniently shirking responsibility in the matter by getting one of their supporters to introduce the Bill. When they had succeeded in carrying it they said, "Well, didn't we do that splendidly?" They say we only amended the Insolvency Law. They had none to amend. The law did not in any sense belong to them, and they are trying to assume the parentage of a respectable infant, when they had murdered their own. (Laughter.) We promised the Bill, we introduced it at once, and passed it, assuming the responsibility ourselves, though I am bound to say it is an extremely difficult matter to satisfy the public on a question of insolvency.

Sir John as a Workingman Champion.

Sir John received an ovation from the working men on the strength of a law which he passed, and which he claimed was to save them from a great deal of annoyance, but they found that instead of protecting them it resulted in their persecution; but Mr. Irving and Mr. Blake prepared a Bill, which was amended last session, and which provides for the same freedom of contract between man and master as in any other case. (Cheers.) Then we have a law relating to corrupt practices at elections, such as will have the effect of securing purity of election. (Hear, hear, and cheers.)

Extradition.

So with the question of extradition. That has been in the hands of Mr. Blake, and, as you all know, there is no man in Canada more competent to deal with such a subject. (Cheers.) Our Act of last session is the first complete Canadian Act on the subject of extradition, and it will effectually prevent the evil of making the United States a harbour of refuge for the criminals of this country, and the evil of making Canada the resort of runaway criminals from the other side of the line.

Maritime Jurisdiction.

If you look at the journals of the House, you will also see that the subject of maritime jurisdiction on our lakes has also been dealt with by some of the lawyers; for our inland marine was subjected to certain inequalities which were not felt by our ocean marine, which was governed by the British admiralty laws.

Fire and Life Insurance.

We also dealt with fire and life insurance, and many other subjects of more or less importance. We are quite willing to submit our legislation to the intelligent consideration of the people of Canada.

Mr. Blake and his Assailants.

I have one word to say in regard to an absent colleague. I regret exceedingly that any man, and especially one who was once a Minister of the Crown himself, should have spoken of my colleague the late Minister of Justice, Hon. Edward Blake—(cheers)—as one of the speakers did the other day at the meeting not far from here. The man who would traduce the character of a gentleman who is by all odds one of the ablest and most upright men who have ever lived in Canada—(hear, hear, and cheers)—in such a manner as was done at that meeting, can only be branded as an unprincipled coward—(hear, hear)—and I do brand him as such. I don't care what they say of me when I am present, for then every man can defend himself, and no man can do that better than Mr. Blake if he were here. On his behalf, and on behalf of the Government generally, I would just say that we look with unutterable disgust on the man who could pen or utter such sentiments as have been used regarding the late Chancellor Blake; a man whose distinguished services to his country will never be forgotten; a gentleman who was a leading man in the Reform party, and who reluctantly left Parliament for more onerous duties, and now he is to be subjected to the coarse abuse of every shameless Tory who cares to drag an honourable name in the mire. Such men as these need never hope to obtain again the confidence of the people of this country. (Hear, hear.) Mr. Mackenzie thanked the people for having turned out in such immense numbers to hear him, and urged them, as the best way of showing their appreciation of true Liberal principles, to do their best to return men to Parliament who would aid in giving effect to those principles. (Loud and long-continued cheers.)

THE DEMONSTRATION AT FERGUS.

SATURDAY, JULY 7th.

Speeches of the Hon. Messrs. Mackenzie, Cartwright and Mills.

As at Clinton, the pic-nic at Fergus was preceded by several impromptu demonstrations of welcome to the Premier and his colleagues. *En route* from Goderich the day before, the party were met upon the arrival of the train at Seaforth by a large assemblage of Reformers, and an Address was presented on behalf of the Reform Association of the town, by its President, Mr. Wm Gray. At Berlin a similar gathering, accompanied by the German band, had assembled, and hearty cheers followed the arrival and departure of the train, the time of stoppage not being sufficient to permit of the presentation of an Address. In the evening, at Guelph, the Drill Shed was crowded by an audience of from fifteen hundred to two thousand ladies and gentlemen, and an Address, expressing the fullest confidence in his Administration, was read to the Premier by Mr. George Elliott, President of the South Wellington Reform Association. In reply, Mr. Mackenzie spoke for nearly an hour, and was followed by his colleagues, the Hon. Messrs. Huntington and Mills, each of whom was very cordially received by the audience. A reception and torch-light procession closed the day's demonstrations.

At Fergus, next day, the Demonstration was but a repetition of those which preceded it. An immense procession escorted the Premier and party to the grove—Kinnettles—where a gathering of some ten thousand afterwards assembled, the Chair being occupied by Col. Clarke, M.P.P. for the Riding, besides whom the following members of the Commons and Ontario Legislature were on the platform:—Hon. Mr. Mackenzie, Hon. Mr. Huntington, Hon. Mr. Mills, D. Guthrie, M.P., Col. Higginbotham, M.P., Jas. Young, M.P., I. E. Bowman, M.P., Dr. Landerkin, M.P.., Æ. Irving, M.P., Jas. Massie, M. P.P., J. H. Hunter, M. P. P., D. D. Hay, M.P.P., and T. Ballantyne, M.P.P. The Secretary of the Reform Association, Mr. John Craig, read an Address to the Premier, a similar one having been presented to him, on the arrival of the train at Elora, by Col. Clarke, M.P.P., on behalf of the Reformers of that village. Mr. Mackenzie responded briefly to both Addresses, and speeches were subsequently delivered by the Finance Minister, the Minister of the Interior, and the Premier.

THE FINANCE MINISTER'S SPEECH.

The Hon. Mr. Cartwright was first called upon, and was received with loud cheers. He said: Mr. Chairman, Ladies and Gentlemen, looking round upon this enormous assemblage I have only one regret, and that is, that I fear I shall hardly be able to send my voice far enough to reach the very large number who have met to-day to hear, what I hope they will find to be, a fair and frank discussion of the policy of this Government; but although it may not be possible for me to make myself heard by you all just now, I trust that through the columns of the public press you will be able to read, and after reading to examine and judge for yourselves of the truth of the facts which, on my own behalf and on behalf of my colleagues, I am about to present to you to-day.

Object of these Gatherings.

Now, as my hon. friend the Premier has explained elsewhere, our more special purpose in addressing these assemblages is to refute certain very unfair and unfounded charges brought against the present Government, not openly and boldly upon the floor of the House of Parliament, but at places where it would necessarily be impossible for us to be represented or to obtain a hearing.

Desire of the Government.

What we desire is, that the people of Canada should examine carefully the various speeches which have been addressed to them by the leaders of the Opposition, and the answers which are given by the various members of the Government. We ask you to examine and weigh the evidence which we present to you, and when you have done so, we feel no fear of the verdict which the intelligent electors of Canada will record.

Special Charges Against the Government.

Now, there are two special charges which have been brought against this Government, which more particularly affect the Department over which I preside. With one of these—that of extravagance in our administration of affairs—I have dealt on another occasion, and as my remarks on that head will be fully reported in the course of a few days, I will refer you, so far as the details go, to the speech itself, which will appear in the several newspapers supporting our cause. But as this charge is one which naturally and properly excites a great deal of interest among you, I will take this opportunity of calling your attention, very briefly, to certain prominent facts which I have elaborated in more detail in the speech referred to, and which I hope will show you, particularly when you have examined the proof I there submit, how utterly baseless and unfounded that charge is. On that occasion I showed that whereas the present Opposition have made it a special charge against us that we have shamelessly, and in defiance of our speeches and promises, greatly increased the public expenditure of the country, they themselves had raised the total gross expenditure from thirteen and a half millions in 1867 to nearly twenty-three and a half millions in 1874. That is to say, these fair-minded gentlemen complain loudly that whereas they in six years had added ten millions to the gross annual expenditure of the country, we, up to the year which has just closed, have increased that expenditure by some three or four hundred thousand dollars—I cannot give you the exact figures, because these have not yet been fully made up by my Department. But, at all events, the sum I have named is not likely to be very largely exceeded. I showed also that for a large portion of even that increase we are in nowise to be held responsible, as a considerable amount of it is due simply to cross entries in the shape of interest on the accumulated investments of the sinking fund of the public debt. I might be well content to ask you under what possible circumstances these honourable gentlemen can make a charge of extravagance against any Government that it has increased the public expenditure by about one-third of a million, while they themselves increased it by ten millions. I might well leave that simple fact to speak for the mode in which the Administration of this country has been conducted respectively by themselves and by us. But that is not all; for before leaving office they had taken care to incur various contingent liabilities which we could not possibly avoid meeting, and which have amounted to little less than three millions of dollars additional annual charge on the public funds. Therefore we have a just right to say, that besides adding the sums which I have named to the annual expenditure since 1867, they would have added three millions more up to the present time had they remained in office, whereas we have only added between three and four hundred thousand dollars. (Cheers.)

Best Test of Economy.

I further showed that, in that great branch of the public service which is known as "Ordinary Expenditure," and in the administration of which the economy of a Ministry is best shown, whereas they had increased their total expenditure from three millions and a half to eight millions and a half in the course of six years, Mr. Mackenzie and his Administration have, up to the end of the year just closed, succeeded in reducing that expenditure from about $8,400,000 to about $7,000,000 in round numbers—(cheers)—having effected in that branch which best shows the true administrative ability of any Government, in these three years, a reduction of nearly one and a half millions, and that, too, in the face of the fact that we have been obliged to provide for many expensive services not included in the ordinary expenditure of 1873-4, or in the unprovided liabilities above mentioned.

Increase of 1873-4 over 1872-3.

Following up that line of argument, I showed conclusively, I hope—and for the details I refer you to the speech I then delivered—that the enormous increase which had occurred in 1873-4 was wholly and entirely due to measures of the late Government, over which we had no control. And if these gentlemen attempt before you and others to put forward the paltry plea that because they were turned out of office in November, 1873, they were not responsible for the expenditure of a year for which they had drawn up the estimates and given out the contracts under which these expenditures were made—if they venture again to say that we are responsible for that expenditure, then I refer you to the details of the items of which that increase was composed. I do not believe that they will find an audience in Canada, no matter how unintelligent, who, when these items are detailed, will fail to see the strict and literal accuracy of the statement I have made, that for that increase in 1873-4 the late Government was entirely responsible.

The Details Given.

This increase is mainly composed of such items as these :—$820,000 for the subsidy to New Brunswick, and for the increase of the interest caused by the assumption of Provincial debts. It is a matter of notoriety that I myself, as well as my colleagues, with perhaps one exception, opposed that measure to the utmost of our power; and if you look at the records of 1873, you will find our votes recorded in opposition. The next item in point of magnitude is about $520,000 for the admission of Prince Edward Island—a measure conducted by these gentlemen themselves. Then there were $225,000 for the half-year's interest of the loan contracted by Mr. Tilley in September.

Who are Responsible?

Are we responsible for items like these, or for the increase of $300,000 made on account of certain alterations in the mode of keeping the post-office account, or for $350,000 caused by the additional indemnity to members, and by an increase of salaries in a variety of services, or for the increase of $200,000, caused by the institution of the Mounted Police, or for $100,000 addi-

tional treaty money to the Indians? These are the chief items that go to make up the four millions to which I alluded, and I leave it to you if for any one of these items any fair-minded man can hold the present Government responsible.

Comparison of Deficits.

Then, too, as these gentlemen have chosen to impute the occurrence of a deficit to gross incompetency and want of statesmanship in the present Government, I took the opportunity to recall to the minds of the people of Canada what sort of deficits, not ranging over one or two years, but over six or seven years, marked the Administration of Sir John Macdonald and his friends from 1858 to 1865. I showed that whereas the total deficit we incurred amounted to barely seven and a half per cent. on the total expenditure for the year 1875-6, in the year 1858 their deficit amounted to thirty-nine per cent. on their annual expenditure; in other words, that their deficit in proportion to their means was five times as much as ours, and that that proportion was nearly kept up for four or five years in succession. That is my case, and I ask nothing better than that you should one and all consult the public records and ascertain for yourselves which of the two parties has adhered more literally and accurately to the facts in the statements we have severally made.

Special Business—The Fiscal Policy.

On the present occasion, however, my special business is not so much to deal with the administrative as with what may more properly be called the fiscal policy of the Government. I am aware that this subject is one that admits in some of its phases of considerable argument, and what I desire to call attention to is this, that in dealing with the affairs of a widely extended country like ours, the Government of the Dominion must make it their first aim to administer, so far as they know how, justice equally to all classes therein, and, even if they desire, for political or other purposes, to favour a few friends, they are bound to consider carefully how far the favouring of those friends might affect the interests of the whole general public and the interests of the Administration of which they are the responsible heads. I know that when any country has been visited by a severe commercial reaction, such as we have experienced, even when it is clear that it arises from causes which no man or Government can control, no inconsiderable amount of the distress is certain to be charged to the incapacity of the powers that be. That is a very trite and a very well-known axiom in political science.

An Old Saw.

There is an ancient saw—I have forgotten its exact words, but I think it runs somehow thus: that one bad harvest tries a Government, a second bad harvest shakes a Government, and a third bad harvest breaks a Government, no matter whether that Government be a good or a bad one. We have had one bad harvest, and no doubt it did try the Government, but I trust you are not going to have your faith put to a further trial by a second one, and, indeed, I am happy to say that there exists a good prospect that the energy and industry of our people this year will be crowned with a reasonable amount of success.

Mark of Demagogue.

It is also a trite and well-known axiom of political science that when a country is in a state of distress, then is the opportunity for your true demagogue; nor can you find a surer mark or a better mode of distinguishing between the demagogue and the statesman than in this—that the demagogue, of whatever rank or station, will always be found imputing that distress to the Government of the day; while the true statesman will search carefully into the causes of that distress, and will deem it, as it assuredly is, a political crime of the first magnitude to stir up the feelings and passions of the people by holding out hopes of succour which he knows no Government, no power on earth can grant. Gentlemen, if it is true, as some of these people assert, that the Government can stop hard times by a wave of their hands, and restore prosperity by mere legislative action, then I say that although the crime of refusing such succour would be very great, it would be insignificant when compared with their folly in such refusal.

Interest of a Government.

Every man knows that a Government, whether good or bad, must be anxious that the country as a whole should be prosperous and contented; and if we honestly believe it in our power by legislative action to restore prosperity to the homes of Canada, it stands to reason we would be most anxious and desirous to do so at once. But if we are unable to see that the remedies which have been suggested would fairly meet the disease, we may at least claim that you should believe that we are honest in our convictions when we refuse to use those remedies, inasmuch as no persons, as I said, would profit as much as the Government by the cessation of hard times and the return of prosperity. Now, gentlemen, in connection with these hard times very different policies and very different explanations of their origin, and (as might be expected) very widely different remedies, have been proposed by the heads of the two political parties into which Canada is now divided.

The Two Policies.

It may be well for me to spend a few words in reviewing briefly, first, the two policies which are presented by the two political parties; secondly, the explanations which are given of the present distress; and, lastly, the remedies which each side suggests for its cure. There is one policy of which I am myself the exponent here to-day, which holds that all taxes are a necessary evil—an evil which every people must endure, but one which no Government is justified in inflicting except for the good of the whole public. There is another policy which holds that the

more taxes you lay on a people the richer they become. There is one policy which holds that the tariff should be framed for revenue purposes, and for revenue purposes only, and another which holds that the astute statesman will so frame the tariff as to enrich a few monopolists at the expense of the whole people. There is one policy for the people and one policy for a small fraction of the people, and, as might be expected, you have one set of men who steadfastly deny that it is possible for you to grow rich by ever so persevering a system of taking money out of one pocket and transferring it to another; another set who maintain that Canada is to grow wealthy by doubling every man's wages and by trebling the prices of all that those wages can purchase. There is one policy which may be defined as a policy of truth, of justice, and of common sense, and another which may equally well be defined as an appeal to every false sentiment—to every ignorant prejudice—to every selfish instinct. There is one which may be called a revenue policy, and another which is called—I think miscalled—a protective policy, though I cannot see at all that it protects even those whom it proposes to protect. The first of these is the policy of the present Government, and the latter is the policy of the present Opposition. I might add, only that Dr. Tupper might take it as a personal matter, that one is the policy of the true physician, and the other is the policy of the quack. (Laughter.)

Two Explanations of Distress.

The explanations offered for the present distress, the severity of which I do not at all deny (it is a lamentable fact which we must all admit and deplore), are almost as diverse as the policies which have been enunciated. Now, there are some of us—old-fashioned fossil Tories like myself, for instance—who entertain such absurd old-fashioned notions as to believe that if a community is unfortunate enough during a period of three or four years to spend a good deal more than they earn, and at the same time, from unforeseen misfortunes, to earn a good deal less than they expected, they will be likely to fall into circumstances of pecuniary distress. Now, the people of Canada during a period of three or four years did, from causes which I need not now enumerate, import something like ten or twelve millions a year more goods than it was judicious for them to buy, and it is equally true that during the same period, from some unforeseen misfortunes, the people of Canada earned upon an average some six or seven millions less than they expected to earn. If you add these sums together for a period of four years, you will find that, one way and another (in all probability), for I am now putting the thing in a general way and not pretending to minute accuracy—we spent in those four years about forty or fifty millions more in purchasing goods than we really could afford. Well, unluckily, at the same time our purchasing power was reduced by about twenty or thirty millions, or, in other words, we were some eighty millions poorer than we expected to be at the expiration of that period; and, at the same time, not only were some of our best customers very badly hurt by the commercial reaction, which extended over almost every civilized country as well as ours, but it is also true that many of our people had transferred themselves from fairly productive pursuits to others which at the best can only be called distributive. Now, my position is this, that this unfortunate distress, which, as I have said, extended over pretty nearly the whole civilized world, was produced by a combination of the causes I have named, and not by any which a Government could control. If this explanation, whose only merit is that it is plain and simple and true, does not satisfy you, there are sundry others to be given more in accordance with the gospel as expounded by Sir John Macdonald and Dr. Tupper, which, so far as I am able to ascertain what they mean—and it is not always an easy task as regards their speeches in the House of Commons or at the meetings of their supporters—is this, that Canada some four or five years ago, in a fit of temporary insanity, parted with her true guides, philosophers and friends, in the persons of these hon. gentlemen, and hence the outpouring of Divine wrath upon her unfortunate people; hence came wars and rumours of wars; hence bad harvests; hence commercial reactions; hence every sort of ill that human flesh is heir to, including, I presume, earthquakes in South America, and tidal waves in the Pacific, all of which, as you know, have occurred in unwonted abundance since Sir John went out of office. At any rate all these things were subsequent to, and therefore necessarily consequent on that event—at least if Dr. Tupper is to be believed. And, lest there should be any injustice done to Dr. Tupper, I will read from *Hansard* his explanations of these unfortunate circumstances, as given in the House of Commons last session:—

"We have had a period of seven years of our national existence of unexampled prosperity, and no country in the world presents a more brilliant example of what a country did achieve in such a short period as seven years. This has been followed by three years of adversity. But, sir, we have these two periods—a period of unexampled prosperity, and that which the hon. gentleman rightly characterized a few evenings ago in this Parliament as one of deep distress. Now, sir, we not only have these two periods, but we have them separated by a sharp line of demarcation, and that line marks the change in the Government of this country."

I have only three objections to make to that statement. One is a slightly important one, and that is that it was not true that we had seven years of unexampled prosperity. During the first three years of Sir John's Administration the imports and revenue were almost stationary. Our imports in 1867 were seventy-one millions; in 1868 they were sixty-seven millions, and they had reached only seventy-two millions in 1869. In 1873-4 they had fallen again from the figure they had reached in 1872-3 by about three millions; in other words, his seven years' unexampled prosperity shrink into three when you come to apply the ruthless test of figures, though I admit that that is a trifling inaccuracy compared with some statements that emanated from the same source.

Problem for Dr. Tupper.

In the next place, if Dr. Tupper thinks that prosperity is a proof of the goodness or the badness of a Government, I ask him on the first opportunity to explain to an intelligent Ontario

audience how it was that the period of 1857-8 to 1867, when Sir John had almost absolute control, was not a period of unexampled prosperity, but was one marked by deep distress and heavy and prolonged deficits. When he explains this, I shall be happy to follow him with a counter refutation of his doctrines.

Two Remedies.

Leaving Dr. Tupper and Sir John to arrange this little problem at their leisure, I dare say it will not surprise you to find that the remedies we propose for the depression are still more widely apart than are our several explanations of its causes. It is not our fault that our remedy, like our explanation, is of a very plain and prosaic character. We do not believe that we can obtain prosperity by Acts of Parliament. We believe that the people of Canada have spent a good deal more than they should have spent, and have earned considerably less than they should have earned, and I am sorry to have to tell you that, under the circumstances, very much of this distress is entirely unavoidable, and that there is one way out of it, and only one. The people of Canada can only grow richer by the exercise of greater frugality and hard work. I know well that this is not a pleasant doctrine, and I have no doubt that I would be better received in certain quarters if I were able to say that all that the people had to do was to sit still and be made rich by legislative interference. That is not the way that this magnificent country was reclaimed from primeval forest. Every one of you knows that such of our people as have grown rich have done so by energy, determination, and hard work. So have they grown rich in the past, so are they now growing rich, and so may they continue to grow rich. Undoubtedly a Government may do something under such circumstances. It is bound to stop all unnecessary outlays, and set an example of frugality ; but it is not bound to advocate doctrines in which it is incapable of believing, and from which it does not see that any real genuine good can come to any considerable part of the community. Now, sir, it need not be wondered at that my plain, prosaic explanation, and still less my plain, prosaic remedies for that distress, will not suit the lofty geniuses who planned the Pacific Railway, and who planned also the Pacific Scandal. (Hear, hear.) These gentlemen disdain to advocate, either by precept or example, these tame, trite doctrines of working and saving. Perish such vulgar ideas ; they have their panacea ready—they can make you all rich by Act of Parliament.

Tupper the Canadian Jack Cade.

It is true their system is somewhat old and stale ; indeed it may not improperly be described as a modern adaptation (not improved) of some of the projects of that lamented reformer, Jack Cade. Mr. Cade, who, if he had lived to-day, would, I dare say, be the Dr. Tupper of his country, declared his intention of passing an edict that on the day he was made King of England every man should have his wages doubled, and should only work on half time ; that the one-hooped pot of ale should have twelve hoops, which should cost no more than one hoop ; with divers other reforms of a highly practical character, including the immediate suspension (sus. per coll.) of all lawyers—the cost of the whole to be defrayed by the public treasury—on the principle so lucidly explained by Dr. Tupper that the more taxes you put on, the richer a country becomes. Jack Cade was a protectionist in his day, a man of large views, and in advance of his time, and it is a thousand pities that his career was ruthlessly cut short by the benighted people whose interests he was trying to advance.

Careful not to Commit Themselves.

Now, if you examine in detail Dr. Tupper's and Sir John's speeches on this subject, you will all notice that whatever they call themselves they do not commit themselves to anything whatever. I defy any man to read Sir John's resolutions or his speeches and say whether he has not left himself ample room to refuse to put on a single cent of additional taxation if he does not find it convenient to do so—(hear, hear, and laughter)—while the whole gist of Dr. Tupper's speeches was that their 15 per cent. *ad valorem* duty was as good as our 17½ per cent., and if he got back to office he would prove, no doubt, that it was better to have his 15 per cent. than to retain our miserable 17½. Our crime is a curious one. We have absolutely refused to declare that black shall henceforth be white, or that if you subtract one from two, you will have three remaining, that being, I think, a pretty fair representation of the theory that by the imposition of additional taxation you will make the people richer. We have refused to suspend the ordinary laws and operations of nature *pro bono publico* ; nay, more, we doubt the wisdom of attempting to do so by statutory enactment. I do not deny that if these gentlemen could show that we have that power, we should be held seriously blameworthy for so refusing ; I only venture to insinuate that if we are unable to deliver men from the consequences of misfortunes, more or less brought about by their own acts, we in doing so only act in conformity to the ordinary rules which have hitherto been applied by Divine Providence to the government of the world. I know of no Government on earth that can possibly deliver a free country from the consequences of its own follies and misfortunes without the active co-operation of the people themselves. We may deplore the existence of these consequences and try to alleviate them ; but the remedy lies in the hands of the people composing the community from one end of the country to the other. Now, I propose to examine in some little detail some of the arguments advanced by Dr. Tupper and his friends in regard to this question of protection.

Two Kinds of Protectionists.

I would say, in the first place, that I fully recognize the difference which exists between the two classes which may be said to compose the protectionist body. There are certain protectionists who are moderate and reasonable in their views—who, as far as I understand their position, are hardly protectionists at all in the proper sense of the term, but who very naturally and rea-

sonably feel much aggrieved at the unfortunate policy which the Government of the United States has persevered in for so many years. This is quite a distinct and different thing from the ordinary protection as advocated by the other persons of whom I speak. When I speak of protection generally, I wish it to be understood that I refer to the second and not to the first of these classes—not that I am able entirely to agree with many of my friends who advocate those particular views of protection, but because there is a wide and sharply-defined line of demarcation between these two classes. I think it is highly desirable that you should give this question the most careful and serious consideration.

Results of Protection.

What I desire to do is this. I desire, first of all, to show what protection will cost this country; next, the number of people amongst us who may fairly be said to be benefited, even for a short time, by a protective policy; and lastly, to show something of the ultimate moral and political effects that would result from the adoption of a so-called protective system. I lay it down as a maxim that in every free country where free government is properly understood, no Government is justified in imposing any taxes unless it be for the benefit of the whole people. That is a principle for which you have long fought and have successfully carried out, and are doubtless prepared to maintain. If the protectionists can show that the additional taxes they propose to impose are for the benefit of the whole people—are, in other words, just taxes, they will then have made out their case; but the onus must rest on them, or on any man who proposes to impose additional taxes, of showing that these taxes are necessary and just, and in the public interest.

Cost of Protection.

In dealing with this subject, then, I wish to call attention to what protection really and actually would cost the people of this country. I do not mean to say that the manufactures which now exist, and which in spite of the hard times are in many quarters continuing to flourish amongst us, cost anything like the sum that other manufactures which require a still heavier tariff would be likely to cost. Probably most of our genuinely successful manufactures would be carried on without any tariff at all; and I am very strongly of opinion that if any man in Canada finds himself unable to manufacture an article without receiving a protection of 17½ per cent. or more, that man will prove to the people of Canada a tolerably expensive luxury. It is computed by statisticians in England and the United States, that every hand—man, woman, or child—employed in factories produces on an average very nearly $1,200 worth of manufactured goods per year. Now, 17½ per cent. on that sum amounts to no less than $210 per annum, and therefore it is perfectly clear that in any manufacture started here requiring protection to the extent of 17½ per cent., for every hand so employed the people of Canada in some shape or other pay a tax of $210, and a considerably higher amount if the tariff is increased. It has always appeared to my mind, in the case of new manufactures requiring a tariff additional to our present duty, that they are but a dubious gain to the country; and when people talk, as they are now doing, about readjusting the tariff, I want to put it plainly before you what that readjustment would do for you; how many hands it would employ; and lastly, what it might probably cost. In 1876 we imported in all about ninety-four million dollars worth of goods. Of this amount, after careful calculation and examination, I am inclined to think—although the best computation must necessarily be but an approximate one—that it would be possible if we imposed a sufficiently heavy protective duty to manufacture something like thirty million dollars worth of goods within the country.

Numbers Interested.

Applying the rule that I have just laid down, it follows that the manufacture of these goods would employ some 25,000 hands—not full-grown men, but factory hands generally. I have to observe that the goods that can be manufactured are goods from which we derive the greater part of our present revenue, and that therefore the first difficulty that would meet you would be that, whereas we get in round numbers about $6,000,000 of Customs duties on goods imported into the country, you would lose that duty, and would have to make it up by direct taxation, which, while pressing heavily on the whole community, will press more severely upon the farming community in particular. That represents a portion, and perhaps not the largest portion, of the loss which would be sustained, inasmuch as all the deputations that waited upon me on the subject, and with whom I had conversation, admitted that, in order to carry out that readjustment on a large scale, the present tariff would have to be at least doubled; in other words, although by a certain readjustment some thirty millions of dollars might be added to the production of Canada, and some twenty-five thousand people employed in producing that amount of goods, you would have to pay at the very least twelve millions of dollars for the luxury of seeing them made in Canada, or at the rate of about $400 or $500 per head year by year for every one of the hands who would be employed.

Diversion of Labour.

As for the plea that this would bring population into our country, I may say that the experience and example of the United States shows conclusively that that would not be the effect, but that there would be instead simply a diversion from the ranks of the farming community and of the artisans dependent on them to those of factory hands, and that the productive power of the country would be lessened by what these twenty-five thousand hands would have produced. I don't deny that it is possible by a certain readjustment of the tariff to give employment to a considerable number of additional factory hands, but I distinctly assert that you would not increase the productive power of the country, and besides, in addition to the present heavy weight of indirect taxes, you would have direct taxation in a very onerous form levied upon you, and you

would be obliged to pay as much again in order to maintain these manufactures which these gentlemen say can only come into existence under such a tariff as I have described. Now, to take up the next branch of the question. Suppose that we made this gigantic change—suppose we reversed our whole fiscal policy, and compelled the people of Canada to pay $12,000,000 per year for the support of some twenty-five thousand factory employees, what portion of our people might expect to be benefited thereby? As to this question, I have no better statistics to give you than those in the census returns of 1871. They are not entirely accurate, but it is reasonable to presume that the various classes of our population have increased in about the ratio therein disclosed. Those of you who have paid attention to this subject will know that out of the three and a half millions of people residing in Canada in 1871, something like one million were then employed in various more or less remunerative pursuits. They were divided as follows :—500,000 were put down as agriculturists, although that number should have been 100,000 more, because among the unclassified list were probably no fewer than 100,000 who were really agricultural labourers. Then came the very large so-called "commercial" class, 75,000; professional men, 39,000 ; domestic servants, 60,000; and finally what is known as the "industrial class," 213,000.

A Gross Fallacy.

No fallacy has been more widely spread than that of supposing that this so-called protective movement would extend protection and encouragement to these 213,000 people. Were that true, I admit that the question would be a very much more serious one than it is, and it is one of the best proofs of the gross ignorance, and I might almost say gross dishonesty, with which this question has been treated, that the advocates of protection claim these 213,000 as persons who would benefit by a protective system. They omit to point out the fact that at least nine-tenths of these are artisans of various kinds, employed in the rural districts, depending upon the farmers, and affected just as much as they are by the goodness or badness of the harvest. I am not going to rest my statements on mere random assertions, but will give you in detail the numbers of the various classes composing this 213,000, as far as it is possible to do it without too minute elaboration. Of these 213,000 scattered over every part of the country—not massed together in large cities, but dependent upon the welfare and prosperity of the farming community, there were in 1871 :—

Blacksmiths	15,694	Milliners	8,374
Carpenters	32,581	Seamstresses	7,377
Coopers	4,449	Tailors	7,700
Masons	5,888	Shoemakers	16,123
Mechanics	5,408	Fishermen	18,362
Waggon-makers	5,625	Lumbermen	9,900
Glaziers	4,116	Shipwrights	4,250
Saddlers	3,102	Bakers	2,600
Millers	7,134	Butchers	3,598
Printers	2,700		

and a great variety of brick, tile and other such manufacturers, making in all a total of about 190,000 to be taken from the 213,000 I have named, leaving from 20,000 to 25,000 persons employed in various factories who may be more or less interested in the movement in favour of protection, including all occupations not eunumerated. That is a matter of importance, because it shows conclusively that I have been generous in this estimate, and that I have given them a very considerable number of classes who I know from their own confessions and statements are holding their own in the midst of these times of depression, and do not require an additional tariff. In any case, take it as you like, you have this result, that, apart from the number whom you might possibly employ by means of such a readjustment of the tariff as I have spoken of, and who, let me repeat, would not be added to our population, but only diverted from one form of industry to another, there are perhaps from 20,000 to 25,000 people who can be considered by any stretch of imagination likely to be really benefited ; in other words, perhaps one-fiftieth part of our total population.

Justice to All.

Now, God forbid that I should say that this Government or any Government should overlook the interests of even the one-fiftieth part of our population, or refuse to see justice done to the smallest class in the community. If they show their claims to be just, I shall be the first to give them that justice to which they are entitled ; but Heaven forbid also that for the sake of this one-fiftieth part of the population we should do a rank injustice to the other forty-nine-fiftieths. (Hear, hear, and cheers.) Now let us consider a little in detail what our friends the manufacturers really ask of us. I have had a good deal to do with manufacturers myself, and am pretty largely concerned in the prosperity of that interest, and I know that there has been very considerable distress among that class.

What is the Government to do?

I am extremely sorry for this, not only in my heart but in my pocket also ; but I cannot help asking these men, "What do you wish us to do?" Do you ask that the Government of Canada should lay it down as a maxim that we are to relieve you from the results of even unavoidable misfortunes, or from your own mistakes ? If you lay down that policy, to what are these things to grow ? It would simply come to this, that every time there was a commercial crisis, every time the markets were glutted or the farmers had bad harvests, the Government would have to step in and afford relief. In other words, if the misfortunes of one class of the people were made good at the public cost, the misfortunes of all other classes would have also to

be made good: If manufacturers are to be relieved at the public expense from the consequences of mistakes or misfortunes, why should not farmers also be relieved out of the public purse if their harvests are bad? If commercial men are overtaken by a crisis they must also be relieved, and if professional men do not obtain a sufficient number of clients they would have to be maintained at the public expense. Nay, why should not distressed politicians like Sir John Macdonald and Dr. Tupper also come in for a share of relief? (Laughter.) You laugh, but why not? Where are we to stop in this doctrine of universal protection? There is a third point involved, which perhaps has not been touched upon sufficiently, but it is one which every Canadian should consider well.

Social and Political Result.

You have to consider what will be the consequence of the future protective policy in its moral, social, and political aspect. I said a year ago, when discussing this subject on the floor of Parliament, that there is one reason which weighed with me very much; and I pointed out at that time that although it could be shown that the adoption of a protective system would enrich a few, it would enrich that few only. It would make a few rich men millionaires, while it would make poorer the great bulk of the community.

Rings and Lobbies.

I also pointed out that once you open the door, once you depart from the broad, clear principle of a revenue tariff or taxation imposed by the people for the benefit of the whole people, you throw wide the gates to every imaginable species of bribery, corruption, and dishonesty. I said that wherever you have a protected interest, at any rate in the sense in which these gentlemen speak of protection, you must have rings; wherever you have rings you will have bribery and corruption. You will have a permanent lobby exercising its despicable trade in the halls of the Legislature, and though you may have banished corruption from the electorate, you will find you have only sent it a step further, and established a dangerous system of lobbying that will be ready to bribe members of the Legislature in order to obtain the benefits of protection for this or that favoured few. I ask whether it would not be enough to destroy the virtue of any Parliament? If you consider the tremendous engines of corruption you thus put in the hands of dishonest statesmen, I think you will see that the moral and political aspects of the question are of the very gravest importance. To give you but one instance. The other day a very worthy man was addressing me on this subject in my own office. He was largely interested in manufactures, and he said to me, "If you adopt this policy, I tell you candidly you will enable me to reap a handsome revenue out of the five or six hundred thousand dollars I have invested in manufacturing enterprises, and which now do not pay me one sou." He was a man who would have scorned to approach me with a dishonest proposition, but yet I could not help thinking to myself "if you are likely to receive such enormous benefit from the policy you advocate, what would some other men in your place be likely to do if they thought they could obtain a handsome percentage on the money they had invested in manufactures?" Now, you can work out that problem for yourselves.

Cause of Corruption in the United States.

It has been worked out in the United States, and I speak of what I know when I say that one of the greatest causes of the corruption which has grown so prevalent in American politics is, that their fiscal policy is so contrived as to make it worth the while of men possessed of many millions to distribute some of their millions among the Congressmen and the Senate of the United States to obtain protection for certain special industries there. (Hear, hear, and cheers.)

Element of Discord.

Then, too, these gentlemen should consider carefully what an element of discord they would import into our young Confederation by this policy of protecting certain interests at the public expense. I know well what would have been the result if in 1876 the Government had felt it to be their duty to come down and make a considerable addition to the taxation of this country.

Dr. Tupper's Confession.

My hon. friend, the Premier, when I closed my budget speech of 1876, went over to Dr. Tupper, and said, "Now, Dr. Tupper, confess, are you not disappointed? Were you not going to point out to the Maritime Provinces that the iron heel of an Ontario Finance Minister was crushing them down for the benefit of the large and rich Province of Ontario; were you not disappointed that we did not announce an increase of the tariff?" To do Dr. Tupper justice, he did not deny the soft impeachment—(laughter)—though, with that address and promptitude which characterizes him, though he had prepared a thundering harangue upon the folly and wickedness of increasing the taxes of the people at that particular time, he rose to the occasion, and with equal vehemence denounced me because I had not made any addition to the taxation. (Hear. hear, and laughter.) Now, if we had unhappily listened to the voice of the charmer and adopted a policy which would have appeared to favour one part of the Dominion at the expense of another, it would have driven in a wedge which would have tended directly to the separation from us of the more distant provinces of the Dominion. But as statesmen and as patriots we are obliged to consider, not the interests of one part of Canada, but of the whole—not the interests even of our friends, whom we should have liked to have served, but the welfare of the whole community. (Cheers.)

True Interests of Canada.

I must add this, that no man can desire more than I do to see our Canadian towns grow and thrive. But, whilst I admit that it is our duty by all honest means to foster that growth—while

I desire to see all classes prospering in this country, I have for a long time become convinced that a system or a policy which tended to promote the unhealthy growth of towns at the expense of the rural districts is most disastrous to the true interests of any country. In other lands the mistake has been made of diverting men from the wholesome cultivation of the soil and clustering them together in the unhealthy slums of great cities, thus leading to an artificial increase of the city population. To such a policy I am from conviction and observation steadily opposed. I do not desire to see my fellow-countrymen deserting agriculture to seek the temporary excitement and advantage of certain city vocations. Such a forced and artificial growth must of necessity be of a temporary character; for, after all, the cities of Canada are not what make Canada. They are the healthy outgrowth of our rural populations, and anything tending to injure the rural population will ultimately injure the growth and demoralise the population of the cities themselves. Looking at the many signs and symptoms in American politics indicating a return to a better fiscal policy, if we were now to yield to the suggestions made to us, we should not only weaken the hands of those desiring to open a fair reciprocity of trade between us and the United States, but we would at the same time open the door for a great amount of smuggling, such as at one time went on from this country to the United States, and which in the case of a high tariff on our side would undoubtedly occur very speedily from the United States to Canada.

Premium on Smuggling.

The experience of all countries has shown, and the experience of every man who has studied the subject will bear me out in saying, that the moment you make articles easily transportable from one place to another—with only an artificial barrier between two countries, such as exist between this Dominion and the United States—the subject of heavy taxation, you will offer a premium for smugglers from Gaspe to Sarnia. These are all difficulties which have presented themselves to my mind and to the mind of the Government. I merely call attention to the general facts—it is quite impossible for me on the present occasion to go into minute details—to show how certain results I have pointed out would follow from the adoption of such a policy as has been suggested to us.

Policy of the British Empire.

Then there is another consideration. I do not want to impeach the loyalty of our adversaries. Sir John is a K.C.B., he is a titular Privy Councillor of England, though for reasons not generally known he has never during five years found it expedient to go to England and qualify himself to advise Her Majesty Queen Victoria in that capacity. I am not going to say why Sir John has been so modest or so dilatory in presenting himself in order to qualify for that high position, but since he has arrogated to himself the right to speak for the loyal men of Canada—since he has presumed to say or insinuate that he, and he alone, can be trusted to be loyal to the British Empire, I ask him and his friends to ponder well on this plain fact, that if they adopt the system they now advocate of raising a high and broad wall of protection around our country they will be flying in the face of the policy of the whole Empire, and will be doing that which English statesmen of every hue of politics are agreed is a mistake and an injury, and that the parties who would be hurt most would not be the American manufacturer, but the English manufacturer, who is manufacturing without any aid or assistance from his Government, and in whose markets we are at perfect liberty to compete. Let them remember that their policy is one which, so far as any commercial policy can do so, must tend to the disruption and separation of the ties which bind us to the mother land. (Hear, hear.) Much has been said of the distress which now exists in Canada. I have asserted again and again that the distress in Canada was not a local distress. I ventured to give some explanations of the causes leading to it, and I have always insisted that we in Canada were only suffering our share—and perhaps, if the truth were known, a very small share—of the great wave of commercial reaction which is spreading over the civilized world.

Universal Depression.

The other day I had occasion to examine with some care a very long and elaborate essay on the cause of the unusual commercial depression now existing, written by a gentleman of high repute, an authority of the highest character on this subject, the late Walter Bagehot, editor of the London *Economist*. Mr. Bagehot went very minutely into the causes for this distress, and showed that, so far from its being local or confined to Canada, it extends not only over Great Britain and the United States, but over Germany, Italy, Austria, Hungary, Russia, and also over France—the latter being a country which, from various circumstances, was as little likely to suffer from that depression as any country in Europe. Now, consider what this means. France contains 36,000,000 of people; Great Britain 32,000,000; the United States and ourselves, 44,000,000; Germany, 40,000,000; Italy, 26,000,000; Austria and Hungary, 30,000,000; and Russia, 85,000,000. You will see that not less than 300,000,000 of people, comprising nine-tenths of the civilized world, are suffering at this moment from commercial distress, produced in a great measure by the same identical causes, though in our case it was aggravated by an unusually bad harvest, a misfortune from which most of these countries were exempt. Not only is nine-tenths of the civilized world so affected, but that nine-tenths contains probably nineteen-twentieths, or very nearly that amount, of the really available wealth of the whole world. They have Governments of the most diverse kind, fiscal systems of widely opposite character, and yet we find the self-same distress prevailing and the same complaints on the part of manufacturers, the same difficulty in disposing of manufactured goods, the same falling off in prices—in fact all those symptoms which, according to Dr. Tupper and Sir John Macdonald, are sure signs of misgovernment on the part of Alexander Mackenzie and his colleagues, and most particularly of that most infamous of his colleagues the present Finance Minister of Canada. (Hear, hear, and laughter.)

One Cause of Distress.

I venture to say that in my poor judgment one of the most serious misfortunes under which we labour is to be found in this, that unhappily, from various causes, a very considerable number of our people have withdrawn from the pursuits of agriculture and the various handicrafts connected therewith, and have devoted themselves to what may be called unproductive pursuits. It used to be said in old times—although I suppose it will be considered a worn out doctrine under the promised millennium of Dr. Tupper—that no more than one man out of twenty of the population could be withdrawn from productive pursuits without risking a permanent impoverishment of the whole community. Let us now see how the population of Canada is distributed. We have 700,000 or 800,000 able-bodied men in Canada, who may be regarded as the real producers and creators of wealth in this country, and of this number probably between 500,000 and 600,000 are directly employed in agricultural pursuits, and of those who are called the "industrial classes" at least nine-tenths are dependent upon agricultural pursuits and the welfare of the farming community. I find in Canada that out of these 700,000 men somewhere about 75,000, in round numbers, have transferred themselves to commercial pursuits, otherwise known as shopkeeping in its various branches, or to professional employments. I should be the last to say that a very large number of these persons are not most usefully employed, but I do say that, when you come to consider that statement in detail, I think you will be disposed to agree with me that in that diversion of so disproportionate a number of our people to unproductive pursuits is to be found a very considerable cause of the extravagance and consequent depression which now prevails. In 1871 we had nominally 75,227 persons employed in the so-called commercial pursuits. From these are to be deducted about 25,000 who are properly carriers—that is, engaged in transport—leaving about 50,000 who may be described as merchants or shopkeepers of one kind or another. Then there are about 39,000 professional men, though from these I deduct about 14,000 teachers, as I look upon them as being as usefully employed as any part of our population; the remaining 25,000 go to make up our doctors, apothecaries, notaries, lawyers, and clergymen. I don't wish to utter a single reflection upon the usefulness of any one of these classes, but if I am to believe the statements which I hear from members of almost every one of these professions with whom I come in contact, they are all largely overstocked, with perhaps the single exception of that of clergymen; and precisely the same thing occurs with respect to that portion of the community engaged in commercial pursuits. In fact, the state of affairs seems to be that in almost every one of those pursuits there are at least three men now-a-days trying to make a living by doing two men's work, to the great injury of all concerned.

Diversion to Non-Productive Pursuits.

Now, I think it will be admitted that 75,000 of the very best of our people are by far too many to be engaged in non-productive pursuits. I will not venture to say exactly how many of them are unnecessary, but I don't think I would be overstating the matter very much if I guessed that out of these 75,000 we could well spare 25,000 for more productive pursuits. I am a Canadian born and bred, but I have always felt that, excellent as our system of education is, much as it is to be desired that it should expand and flourish, still it is very desirable that that system should be so directed that it should teach our young men in the country that they make a great mistake for their own prosperity and peace of mind when they quit the honourable occupation of farming or of ordinary handicrafts to join the multitudes of useless shopkeepers or half employed professional men. (Hear, hear, and cheers.) As I said before, I don't wish to cast any reflections upon those engaged in these pursuits *per se*. Many of them are wanted; but in view of the fact that these occupations are nearly all so overcrowded, it is a great mistake that so many of the very pick of our farming population leave the farms on which they are usefully employed and go to the towns to engage in what are supposed to be lighter occupations. You must not only deduct from the national wealth the useless expenditure of those people, which may be put at $600 per man as a low estimate; but you must remember that when they are thus uselessly employed they cease to produce at all, and the consequence is that the country must maintain them, besides losing the value of their productive labour. If you calculate the cost of maintaining 25,000 men at $600 each, and add to that the sum of $400 or $500 apiece which they might earn in productive pursuits, you will be able to judge if there must not be a very considerable impoverishment of the country from that source.

What this Diversion Costs.

I think it may fairly be computed that the loss the people of Canada sustain from that unfortunate diversion of useful labour from the farm and the workshop to the counter and the professional desk is not less than from $20,000,000 to $30,000,000 per year, a sum equivalent to the whole taxation required to carry on the government of the Dominion of Canada. (Hear, hear.) According to ordinary statisticians, the largest standing army you could possibly maintain would be 35,000 men, and if you have twice that number and more employed as I have described, you readily see what a burden this standing army of 75,000 men must be to the country.

Main Sources of Wealth to Canada.

After all said and done, the three great sources of our wealth are our farms and their products, our forests, and our fisheries and ships. I do not say that our manufactures should be abolished. I do not undervalue their importance, nor do I say that there are not valuable sources of wealth in our mines, but at present the wealth of Canada must proceed mainly from those three great sources named above. (Hear, hear.) If there are manufactures which we are able to carry on fairly in this country; if there are any for which we have peculiar facilities, Canada

will of necessity afford them but a small market, and they will have to seek a foreign market. I say, therefore, that protection for those manufactures is a mistake, and could do them no good, because we cannot protect them abroad ; they must enter into fair competition in the open market with their rivals, and win their way by their brains and energy ; and I have no doubt they will prove, as many of them have already proved, formidable rivals in such other markets of the world as are opened to them on reasonable terms.

Sir John Macdonald Consistent.

Now, gentlemen, I desire to be fair to our opponents, and I am bound to say that when the leaders of the Opposition, and notably when Sir John Macdonald advocates protection, though he does it in his own fashion—and in such a way that it would be utterly impossible for the most adroit protectionist to nail him to anything unless it suits himself—he is perfectly consistent in doing so, for from first to last during the greater part of his career his determination has been to carry on the government by a well-organized system of bribery. (Hear, hear.) First of all he bribed individuals, then he took to bribing constituencies by grace of Sir Hugh Allan and others, and then he went in for bribing whole Provinces. And Sir John Macdonald, if he is put back in power, will, if it suits his purpose, go to work to bribe whole classes of the community ; and I am willing to admit that such is his skill in the art of legerdemain, that he is able to go the whole round of the circle, first bribing, or making believe to bribe, one class of the community, then another, and so on, and finally leaving them at last all far poorer than he found them, but still believing that they had all got a good thing out of Sir John Macdonald. (Hear, hear, and laughter.) Those of you who know anything of the system of lobbying which is carried on in Washington, and of the political engines there set to work for purposes of corruption, will understand in a moment how well a protective tariff could be manipulated by the right man in the right place ; how it could be manipulated for the advantage of any Government.

Why Sir John Wants a New Tariff.

I don't wonder that Sir John's mouth waters to get hold of it. I don't wonder that he sees as in a vision whole hordes of hungry manufacturers all asking only this one little matter of protection—all willing to send him "another ten thousand" if that can be conceded. Now, I deny once and for all that any person can frame a tariff that would enrich the people except by the simple process of remitting taxes ; every tax that I remit is so much gained by the people of Canada, and every tax I put on, no matter under what guise, is so much out of the pockets of the people. But if you wish for a different policy you can have it. There is no difficulty in allowing yourselves to be hocus-pocused in the guise of a readjustment by which a good many believe they will get richer, and by which undoubtedly a good many of you will become poorer ; but you must not expect the present Government to stoop to such tricks to retain themselves in power. (Hear, hear, and cheers.) What we can do honestly and fairly to help you we will do. Convince us that we can make you rich by putting on taxation and we will only be too happy to do it.

Sir John and Dr. Tupper.

It is true in this matter of protection I am bound to say that there is a very considerable difference between Sir John Macdonald and Dr. Tupper. Sir John, whatever his sins may be, is an able and remarkably intelligent man, and anybody who heard him speak in Parliament in defence of protection and in defence of his resolution, and heard the lamentable and miserable failure which he made in that speech, would see what an intelligent man he is. He is so intelligent that he was unable even to appear to believe what he himself was saying. (Laughter.) Dr. Tupper, on the contrary, rises quite equal to the occasion. His speech was far better than Sir John's was, the quality of the two speeches being in inverse ratio to the relative intelligence on fiscal and other matters of these two hon. gentlemen. Sir John is a man of whom it may be truly said, "*Video meliora, deteriora sequor.*" He knows the right when he sees it, though it may not please him to follow it. But, as to Dr. Tupper, having followed him pretty closely, I have come to the conclusion that he is mentally colour blind, that he cannot tell right from wrong, that he cannot tell fact from fiction, or truth from falsehood, and therefore I have to a very great degree ceased to hold him responsible for any statement he may utter.

Duties on Coal and Flour.

One thing, however, is noteworthy. Wherever he has spoken on this matter I observe he is very true to the instincts of self-preservation, and he has been particularly careful not to say anything that can alarm the susceptibilities of the special audience he may address. When he goes down to the Lower Provinces he goes as a determined advocate and champion of a duty on coal ; when he comes to Ontario he advocates a sharp duty on flour ; but he never says anything about a tax on flour in Nova Scotia, nor about a tax on coal in Ontario. As this policy of imposing a duty of so much a barrel on flour and so much a ton on coal, and the advantages to accrue therefrom, has been one of the standing arguments in favour of protection, I will endeavour to show you what would be the result of such a system. Suppose the people of Nova Scotia required some 500,000 barrels of flour per year, and suppose the people of Ontario required to use, say, one million tons of coal, and suppose we carried out their theory and put a tax of one dollar or fifty cents on each barrel of flour imported into the Dominion and two dollars per ton on coal, that being the lowest tax which would leave any chance of enabling Nova Scotia coal to compete so far west as Guelph with American coal. Let us now see what result would flow from this precious bit of protection to the people of Canada. In the first place, I beg to say that, bearing in mind that the price of wheat is regulated bythe price in England, I don't believe that any farmer or miller here would receive any substantial benefit from the duty proposed to be imposed on flour imported from abroad. But one thing is certain, that the people of Nova Scotia on the first necessary of life would pay a tax of about $500,000,

not into the public treasury, but for the benefit of a few millers and forwarders in Ontario. Similarly, although the people of Ontario require, and will continue to require, cheap supplies of fuel as among the first necessaries of life, yet were those ideas to be carried out, you would have to submit to a tax of from one to two millious of dollars on imported coal, which is to a great extent a raw material in most of our manufactures, as well as a positive necessary of life to a large number of the community. That tax would be paid for the benefit of a small class of coal-owners in the Province of Nova Scotia.

Cost to Country, and Why?

The result would be that the people of Nova Scotia, without contributing a penny to the general public revenue, would pay a tax of $500,000, and the people of Ontario, without contributing a penny to the general revenue, would be taxed to the extent of one or two millions for the benefit of the owners of coal mines in Nova Scotia. (Hear, hear.) The country at large would be just two and one-half millions poorer than it was. And all for what reason? Simply and literally because, thanks to certain natural advantages, Americans can bring their coal to the pit's mouth for ninety cents per ton, and are then within 300 miles of their market, while the coal miners of Nova Scotia would require two dollars for the same purpose, and would be still 1,200 miles away from you. We are asked to put on a tax of two and a half millions additional, not for the benefit of the whole people, not to go into the general treasury, but to go into the pockets of a few gentlemen scattered here and there in one end of the Province of Ontario, and a few others at the remote end of the Province of Nova Scotia. (Hear, hear.)

Case of the United States.

Over and over again in the course of this controversy has the example of the people of the United States been appealed to. These protectionist orators say: "Your theories may be all right, your doctrines may be sound, but look at the example of the people of the United States. They were protected; they have made themselves into a manufacturing people to their own great benefit, and to the advantage of the whole people. They have reduced their debt, and have become wonderfully and universally prosperous." Statements like these are becoming much fewer than they were. Unfortunately, they are the exact reverse of the truth. Those who appreciate the terrible depression which exists in the United States at the present time have begun to understand that a policy producing such results cannot be much relied on. But, lest you should suppose that I am ignoring the case of the United States, that for my own ends I am misrepresenting the real condition of the people of that country, I desire to give you the most unimpeachable testimony in the shape of an extract from a speech delivered in Congress by an eminent American politician who dared to speak of the situation in the United States as follows, no longer ago than last February.

Speech of Mr. Ward.

"We are all familiar with the accounts of unparalleled and increasing destitution among our own working population. Let not repetition dull our minds so that we cannot see, nor steel our hearts so that we cannot feel, the force of facts so often told and so well authenticated.

"In some of our larger cities the present is the third winter when *two-thirds of the unskilled labourers* have been unable to find employment. * * * * *

"Multitudes of temperate, industrious, and well-trained mechanics, and of young women with honourable independence of character and sensitive about receiving charity in any form or shape, have lost all hope, and in the depths of destitution and despair are begging to be saved from lingering death from hunger by being sent to places intended for the reception of vagrants and criminals. * * * * * * * *

"The representatives of the Boston Board of Trade assert that the people of Massachusetts are deeply impressed, as are many others in all parts of our country, with the fact that difficulties and depreciation are besetting every branch of industry. These formidable disasters are not confined to the great cities, but even in the smaller manufacturing towns, also, are found people seeking for work, and the general cry is: 'It is our trade relations that are wrong and unsound; what have you to suggest to lift us out of the slough of despond?'" * *

Condition of Labour in Cities of United States.

"In this prospect are the facts as we now find them to be thrust aside as if of no moment, in the present depressed condition of our trade and manufactures? *Year after year the plight of our labouring men throughout the country, and especially in the regions dependent on manufactures and commerce, has grown worse and worse. Year by year since 1872 the attractions presented to the labourers of Europe have sensibly diminished, until in the last fiscal year the immigrants to our shores were less by nearly three hundred thousand than they were four years ago, the actual reduction within that time having been from 437,750 to 169,986.* These new comers go, it is to be supposed, to friends who are ready to receive them, chiefly in those parts of the country least affected by the prevalent distress."

There you have the opinion of a leading American representative, delivered on the floor of Congress, as to what that system has done for that country.

Is this the System for Canada?

Is that the system, so tried, so proved, so experienced, which we show such incompetence, such blindness, such gross ignorance, such want of statesmanship in refusing to adopt? (Hear, hear.) What! now, when Canada is in a state of deep distress and depression; when the people find it hard enough to pay their way, is this a time when we should put further burdens upon their backs? (Hear, hear, and cheers.) I leave it to you now; and next year, when you will have to decide what policy you will have, to give the answer; and I say, without fear, that the intelligent and honest judgment of the people of Canada will render just such a verdict as they have rendered before. (Loud and prolonged cheers.)

SPEECH OF THE MINISTER OF THE INTERIOR.

The CHAIRMAN, in a few complimentary terms, introduced the next speaker,

Hon. DAVID MILLS, who said—Mr. Chairman, Ladies and Gentlemen, I have a great deal of pleasure in coming here to-day to speak for a short time to this very large and intelligent assembly. It is one of the advantages of representative government that it compels all parties —those who govern and those who would if they could supplant the Government—to appear before the people and defend the policy which they have pursued in the past or propose for the future. The public men of the country are obliged to take the electors into their confidence, and explain and defend what they have done already and what they propose to do, although I must say that I have been unable to discover what the Liberal Conservative chieftains propose to accomplish should they again be called to power by the people of Canada.

Rights of the People.

You know that Sir John Macdonald denies that the people have a right to know what the policy of a Government or its opponents, should they succeed, is to be. He says you must look only to the past. You may be competent to judge of what has been accomplished, but nothing more. As to the future, it is not to be a matter of judgment or of conviction, but of faith, or perhaps I ought to say credulity. On more than one occasion he reminded my hon. friend the First Minister that he did wrong in going to the country with a well-defined public policy. He said that Mr. Gladstone erred in the same way, and on the occasion of discussing the answer to the Speech from the Throne the first session, he declared that even the Liberal party in England were of his way of thinking, and he read an extract from the *Spectator* to verify what he said. But the extract was by no means broad enough to cover the ground Sir John Macdonald had taken. What it did say was, that it was very questionable whether Mr. Gladstone had a right to submit as a part of his policy the remission of customs taxes. It was a declaration in advance, if he succeeded, how the tariff would be changed, and it was, moreover, presenting to a large number of the electors a consideration which might improperly influence their votes. It was argued that to submit certain fiscal changes to the people at an election was approaching very closely to the prohibitory law against bribery. Now, I am not going to discuss this particular case. There was, no doubt, a time in the British Isles when there was very much to be said against a member being held to reflect the opinions of those who elected him; when some of the great cities in England were without representation; when Glasgow, with 10,000 well-informed men capable of exercising the elective franchise, had less than thirty electors; when many constituencies were private property, and the owners had the right under the law to present the nation with a representative in the House of Commons: there was some force in the doctrine that the few who stood within the electoral pale were not in a position, nor were they entitled, to speak for the great body of the nation, its wealth and its intelligence, that remained without.

A Change of Policy.

But what is the position of the Conservative party at this moment? They are seeking to secure popular favour by changes in the fiscal policy of the country. They promise to the labourer better wages and more constant employment. They are promising to all classes of producers higher prices. Having been barred by recent legislation from giving bribes, not having access to the public treasury, they seek to purchase support by the promise to make each richer at the expense of his customers or his employers, without taking anything from them. You observe, then, that conservative as are the leaders of the Liberal-Conservative party in Canada, they are obliged in some way to labour for the sanction of public opinion. We know what the views of the old Tory party were. We know their cardinal doctrine of high prerogatives. We know that they professed to be the special friends of the Crown. We know they claimed more than the Constitution allowed, and having made their claim, they expected the chief magistrate of the nation to be their patron. They rallied to their side every one who was interested in the perpetuation of an ancient abuse—every one who enjoyed a monopoly or a special privilege. But Toryism is dead, and its voice has been choked by the dusts of time. Where now are the opponents of Responsible Government?—where the advocates of Church and State?—the denouncers of Municipal Institutions? They are an extinct race of warriors. The Liberal-Conservative party, the modern representative of this dead race, are obliged to fight against the progressive tendencies of the age upon other grounds. The platform upon which the Tory party stood has been destroyed. Sir John Macdonald and his friends now recognize the force of the apostolic injunction to become all things to all men, if by any possibility they can win some over to their ranks to give them aid and comfort at the next election. I believe that when that time arrives it will be found that they have greatly underestimated the general intelligence of the people. I believe they will find that, although the public indignation against them for their incompetency and corruption may have cooled, the electoral body of this country are not prepared to reverse the judgment which they so unmistakably pronounced in 1874. They are not prepared to agree with Dr. Tupper that he and Sir John are able, honest, and greatly wronged public men.

A Mutual Admiration Society.

You have, no doubt, observed that Dr. Tupper and Sir John Macdonald began their political campaign by giving recitals as a Mutual Admiration Society. You know that there are occasions

when it is highly improper to employ puffers. But we don't intend that the public shall be deceived. When they are just agoing, they will be knocked down at their true value. They are putting themselves up as patriots, but they will be taken as the greatest frauds that have ever appeared in public life. Dr. Tupper told the electors of Kingston that Canada owed them a lasting debt of gratitude for bringing into public life and keeping there "Canada's greatest" statesman. He defended the Pacific Railway Scandal. He inveighed against those who exposed this disgraceful transaction, and predicted the return of Sir John to power, sustained by an immense majority. Sir John Macdonald said to the people of Kingston :—"You have heard Dr. Tupper. You know his scrupulous accuracy and his prescience. Good people of Kingston, listen to me. All Dr. Tupper has told you is strictly true."

Criticising the Government.

These champion proclaimers of Conservative reaction and prophets of evil to the Reform party have, wherever they have spoken, declared the present Government to be wholly incompetent. They say that Mr. Mackenzie and his colleagues have violated every pledge they have ever given ; that they had shamelessly falsified their principles ; that they had preached economy and practised extravagance and corruption. I am not here to-day to specifically answer this indictment—I am not here to plead not guilty, and to establish that plea by adequate and convincing evidence. These charges have been specially levelled against the First Minister, and he has set himself to the task of answering them, which he has so far done with a completeness that must be satisfactory to those who have heretofore given the Government their support.

Principles of the Reform Government.

The fundamental principles of the Reform party are the constant recognition by the Administration of the supremacy of Parliament, the administration of public affairs in obedience to and under the sanction of law. As a party we hold that we should legislate in accordance with the enlightened spirit and the progressive tendencies of the age. We hold that the Government should always be carried on in accordance with the well-understood wishes of the majority of the people. We do not say that the majority are always right. But when we think them wrong, I trust the leaders of the Reform party have sufficient honesty and sufficient public spirit to retire from office, and to take their places with the minority, until, by argument and public discussion, we can again get a majority to think with us. I hope we have had some regard to those principles, and if it can be shown that we have in any degree departed from them, we ought to amend our practice accordingly. We know that it is possible for an honest and capable Government to be injured by its own neglect of public discussion, and we are here to-day to deny what is untrue, to refute what is sophistical, to state what we believe is true, and to defend what we think is right, so that not only those who are present, but the whole of the people of this country, may see with unclouded vision things just as they are. I trust that the Government will not prove recreant to the great principles by which the Reform party are united, and by fidelity to which they are alone entitled to direct the affairs of this country.

Opposition Pretensions Disposed of.

It would have afforded me peculiar pleasure on this occasion, did time permit, to enquire into the pretensions of those public declaimers who are putting forward with so little modesty their claims to superiority. It would be to me very gratifying to examine their political record as Ministers, and to point out how far their conduct as advisers of the Crown fell short of sustaining those pretensions now so confidently made. I would take issue with them upon this ground :—I deny that they have ever exhibited any of the qualities which entitle a public man to be regarded as a statesman. No men ever called by the favours of fortune to govern a nation had a more splendid opportunity—no Government ever more disgracefully failed. There is not a question with which they were obliged to deal, where more was required of them than to servilely imitate what had been done elsewhere, where they did not signally fail.

Sir John Opposed to Confederation.

You know that Sir John Macdonald has recently claimed to have been the author of our Federal system of government. In no proper sense is he the author. He is no more the author than James II. was the author of the Petition of Right. He opposed Confederation. He dissented from the views held by a majority of the Committee to whom the question was referred, and declared himself in favour of a legislative union of the Provinces. He claims to be *par excellence* a practical statesman, and yet with this fact before him, that wherever the Anglo-Saxon race have gone they have failed to establish a consolidated government over a large extent of country, he persisted in his scheme. The old thirteen colonies which afterwards became the United States, the several colonies of British North America, the several Colonies of South Africa, and the Australian group, were all historical protests against the suitability, if not against the possibility, of having a single Government ruling a people distributed over so vast an extent of country, and who, although they may in time have some common interests which may unite them for certain common purposes, must for ever have local interests peculiar to each section, about which every other section can know but little, and which must, if dealt with by a common assembly, be the constant source of discontent or corruption. I think I might lay down as an axiom this proposition :—That under representative institutions a people can only be honestly governed by a single Parliament in cases where there are general subjects to be dealt with by the assembly, in which the people everywhere have a common interest. Measures which may be of very great moment in one section of the country will never be adequately considered by the representatives of those whom they do not concern. But whether you agree

with me or not in this view, the fact remains all the same, that we were divided into provinces, each of which had its own political organization, around which certain historic associations clustered, and which could not be obliterated without great detriment; and this Idol of the so-called Conservative party proposed that these elements of national vitality and public spirit should be destroyed, and a single mound on the plain erected to make us one people.

More Evidences of Incapacity—A Telling Indictment.

But there are other still more obvious evidences of the incapacity of the late Government—of their inability to comprehend the facts and the circumstances with which they were obliged to deal. I might refer to the acquisition of the North-west, and the half-breed rebellion; the attempt and the failure on three occasions to carry an election law; the attempt and failure two sessions to carry a Supreme Court Act, and the promised introduction of the Bill a third session, which was not kept. They opposed the trial of controverted elections by the Courts; they opposed simultaneous elections; they opposed vote by ballot; they gave us the Washington Treaty; they admitted British Columbia upon terms not necessary now to discuss; they promised a railway from Lake Nipissing to the Pacific Ocean in ten years; they sold a great public trust for money to corrupt the electors; they gerrymandered the constituencies; they sought to retain the power of appointing irresponsible partisans as returning officers, who would, in violation of their oaths and of the law, refuse to return opponents whom the people had chosen. These together make a list of acts and measures indicating greater incapacity, downright dishonesty and corruption, than can be found crowded together in the same time in the history of any other country in which representative government is established.

Anxious to Depart.

Sir John Macdonald told the electors of Kingston that he had been thirty-three years in public life; but many of those who had in the beginning of his political career supported him had gone to their graves; that he felt that it was almost time for him to go too. Buried saints, it is said, perfume their graves; but what an odour of sanctity envelopes his political life! It seems, from a report of his speech, that his friends earnestly protested against his early departure. They were not willing that he should join those unknown saints of the Tory party, who had at one time fought in the ranks, but had years ago fallen. He was persuaded to remain. He saw that it would be a selfish act on his part to desert the post of duty as a party leader in this world, while there remained in power those incompetent men whom he had so long resisted at so much personal discomfort and at such a pecuniary loss. It would indeed have been an unpatriotic thing to have joined the company of those old supporters, instead of remaining to fight the present Government. You know, ladies and gentlemen, what great sacrifices Mr. Pecksniff made for Tom Pinch, and you cannot doubt the unambitious and disinterested efforts put forward by the leaders of the Opposition to wrest the country from the unclean hands of Mr. Mackenzie and his colleagues.

The Betrayer of Nova Scotia.

Dr. Tupper, Sir John tells us, deserves well at the hands of the people of Canada, because he had, single-handed, manfully fought the battle of Confederation in Nova Scotia, and had by his great exertions brought his Province into the Dominion. We have here at least one point of difference between Reformers and Dr. Tupper. I say that he did not deserve well—that if he fought single-handed he fought treacherously, he betrayed his Province, and earned for himself the detestation of the people. Our whole theory of representative government is government carried on according to the well-understood wishes of the people. The Legislature of Nova Scotia was elected, not to destroy its own authority, not to change the political existence of the people, but to govern the Province. I deny that it is a sound political doctrine that you may do evil that good may come; that because Confederation may be a good thing, therefore Nova Scotia was properly dragged into the Union against her will. I deny that Dr. Tupper is entitled to the thanks of the people of this country, because, contrary to the wishes of the people of Nova Scotia, he did, by an arbitrary, corrupt and unconstitutional act, trick that Province into the Union. Nova Scotia had tried Dr. Tupper and had lost all confidence in him. She opposed Confederation partly because he cursed it with his support.

Imagination, not Facts.

Dr. Tupper has attacked the Government and charged it with corruption, but he has not put forward a single instance which shows that the Government have sought to purchase support. He makes assertions, and refers to transactions that have an historical existence, but which do not prove what he affirms. The Doctor's facts leave much to be supplied by partisan bias and the heated imagination of their author. There was once an American painter who invited a friend to see what he regarded as a most accurate representation of the Israelites just across the Red Sea. "Where are the Israelites?" said the friend. "I see," said the artist, "you are not a good critic of art. This picture is intended to be true to life. You see the picture of the water there before you. You are supposed to be standing upon the Egyptian side of the sea. The sea is many miles in width. It is a great stretch of water. How could you, then, expect to see the Israelites when they are on the other side?" "But," said the friend, "where are the Egyptians? I don't see Pharaoh and his host." "Another instance of false criticism," said the painter. "The Egyptians are in the bottom of the sea. You see, sir, the picture is true to nature. What you cannot see in nature is not made visible in the picture. You have simply a great stretch of water before you." (Laughter.) Now, Dr. Tupper's evidence of corruption is of the same kind. He says that Mr. Mackenzie made a contract for steel rails. He says Mr. Mackenzie has a brother Charles. He says the rails were purchased at a

certain price. But everything else is wanting. The other statements are not among the facts. They are the creation of that faculty which is to most men the fool of the other senses, but to Dr. Tupper it is worth all the rest.

Tupper as a Prophet—His Object.

The Doctor has confidently predicted that the present Government will be driven from power by a wronged and indignant people. I tell him I don't believe it. When the time comes for testing the question, I believe it will be found that the facts will falsify his prediction. We know—you know—what all this cry means. It means that these two leaders are out in the cold, and want to get in; are hungry, and want to be fed; naked, and want to be clothed; tired—constitutionally tired—and want to rest in office. They were—in the discharge of a great public trust, which they betrayed—appointed to serve the public; they served themselves—they took their master's goods by which to make to themselves friends; they have been indignantly cast out, and out they will remain so long as wrong is reprobated by the people of Canada. (Hear, hear.) Sir John and Dr. Tupper have been busy telling the farmers that they have grievances which ought to be redressed. They tell the working men that they are their friends. They appeal to the miner and manufacturer to aid them in regaining power. They address themselves to all classes, like Canning's friend of humanity to the needy knife grinder. They say, "How hard the times are; how destructive is the potato bug; your hat's got a hole in it, and so has your breeches. Tears of compassion stand ready to fall as soon as you tell us your pitiful story. We have come out just to tell how we love and pity you." The farmers do not complain of any special grievance. There is nothing they produce for which they do not find a ready market. Farmers are told that when Sir John was in power the country was prosperous. Every mechanic found a ready market for the products of his skill. Their object in such a course is to regain power. They say in effect to the people, "We want to do you good; we want you to put Mackenzie out and put us in, and thereby confer a benefit upon yourselves." These hon. gentlemen tell you we have been very extravagant. Dr. Tupper a few years ago said that my hon. friend had added three millions to the taxes of the country; and Dr. Tupper now says that the taxes imposed upon the products of other countries are not paid by the people of Canada, and, therefore, we have not been putting taxes upon you—they are paid by foreigners.

Agricultural Protection.

I have a special interest in coming here to-day, because in my last election Dr. Orton visited my constituency, and undertook to convince the farming portion of the community that they were very wrong in electing an out-and-out free trader. As such it will afford me special interest to discuss with you the question of protection to agricultural industry. The protectionists may be divided into a great many classes.

Retaliation—Opposition Inconsistency.

They all favour retaliation against the United States because the Americans have imposed a tax upon the produce of Canada, and they say we are actually paying the national debt of the United States. Dr. Orton stated in my constituency that the people of Canada have paid nearly three millions of dollars per year into the Treasury of the United States. I have taken some interest in looking into this question of retaliation, and last session I was amused at these gentlemen crying out in favour of retaliation, exhibiting as they did such confused ideas on taxation. We had on kerosene a duty of fifteen cents, which, on 8,000,000 gallons ought to have yielded a revenue of $1,200,000. The Americans have a duty of forty cents per gallon. If we adopt the policy of retaliation we ought to have increased our duty from fifteen to forty per cent. Did Dr. Orton and the other advocates of retaliation propose this? No; they abandoned their policy, and supported the Government proposition, by which the tax was reduced to six cents a gallon. If they had faith in the policy of retaliation, they ought to have opposed us and asked for more. The oil interest is doing little in Canada. In Bothwell, where scores of wells were in operation ten years ago, there is not one to-day, and if we were to adopt the principles of these gentlemen, we ought to prohibit this oil coming in from the United States. Now Dr. Orton says, if the Yankees put a tax of twenty per cent. upon Canadian horses the Canadian farmer loses that amount. Why then did he relieve them from this tax on kerosene oil? He says in regard to the taxes put upon Canadian barley, that the Canadian farmer undergoes that much loss, and so pays a large amount of money into the treasury of the United States. If that be true, why all this row about the imposition of one cent on the pound of tea? Why, according to the Doctor, that comes out of the Chinaman. My view is the consumer pays it; but if the Doctor is right, the Chinaman pays it. If the Doctor is right, the tax on broadcloth is paid by the English manufacturer, and that on cottons by the manufacturer of New-England. Why, then, this complaint of the burdens of taxation? We are, according to Dr. Orton's views, simply taxing the foreigners who trade with us. Our opponents are wrong upon one point or the other. Well, if we pay the tax that is imposed upon the products of other countries, we certainly do not pay the tax upon the products of Canada going into the United States.

What Official Returns Show.

I have been looking over the returns for the last twenty years of the trade in the various agricultural products of this country, and I purpose giving to-day the prices received by the farmers of this country for the various years, and you will see that the fiscal policy of the United States has not interfered in the least possible degree with the prices which rule in Canada. It is said we ought to retaliate, that we ought to impose upon the people of the United States the same taxes that they impose on our products; but, to show that this would

not benefit us in the least, I will give you the statistics I have already mentioned. In 1875 we exported into the United States 5,400,000 bushels of barley, for which we received $5,359,000. We did not import in that year 5,000 bushels from the United States. What use would it be to tax this amount of barley? In 1875 we exported 100,000 bushels of beans, receiving therefor $109,000; but we did not purchase a bushel from them. Of what use then would a tax upon beans be to the farmers of Canada? In 1875 we exported of peas to Great Britain 2,247,000, bringing us $2,138,675; and to the United States 579,000 bushels, for which we received $502,176. The Americans put a tax on our peas, while England admits them free. We received as much per bushel from the American buyer as from the British, who put no tax on these peas. Well, did this tax come out of the Canadian farmer or the American consumer? We sent in the same year to the United States 1,350,000 bushels of oats, and to Great Britain 1,500,000 bushels, the prices being the same at the same points of shipment. The Americans put a tax of fifteen cents on each bushel they imported, and yet we got as much from the United States as from England. Who paid the American tax? In 1875 we exported from Canada to the United States 4,299 horses, receiving therefor $442,000; we sent thither from Ontario in the same time 2,167, for which we received $243,000. We imported into Ontario in the same time from the United States 174 horses—that is, we sent from this Province 2,167 horses, and we bought from them 174 horses. Well, now, could we tax these 174 horses so as to realize as much as they did from the 2,167? In regard to cattle, we sold the Americans in 1875 25,357 head for $601,000; we bought from them, mostly for British Columbia and Manitoba consumption, 6,397 head, for which we paid $164,497. We exported from Ontario alone into the United States in the same time 14,919, receiving $301,349, and bought from them 369 head. Does it matter at what rate we tax American cattle as regards the price we obtain for our own? Would a tax affect the prices you receive or benefit you at all? The people of Ontario sold last year to the Americans 85,628 sheep, and we bought from them three sheep. Now, Dr. Orton says that you are ruined by American competition, and that you ought to impose a tax upon Americans by way of retaliation or protection, and keep these three sheep from ruining the prosperity of the Canadian farmers. (Laughter.)

The Wool Question.

Then if you look at wool: it is said the Canadian farmer is subjected to unfair competition, for while the Americans impose a high tax upon Canadian wool, we permit wool from the United States to come in free. I shall be able to establish to your satisfaction that it is to your interest, as well as to the interest of the manufacturers, to permit wool to come in free, and that it does not affect in the slightest degree the Canadian farmer. I am speaking on this with some competence, for I am a farmer, and would not be disposed to adopt a policy detrimental to the interest of the class to which I belong. In 1875 we sold the people of the United States 2,636,521 pounds of wool, receiving for it $917,000; we imported 4,885,818, or more than double what we sold, for $814,673—that is, for $102,327 less than we sold our own. In short, we received two pounds of wool for one of our own, with an addition of $102,327. It will be a long time before the people of this country oppose such transactions. The wool of Canada is from Cotswold, Leicester, and other long-wooled varieties of sheep, and is not used in the manufacture of tweeds and the finer kinds of cloth. The manufacturers who use our wool reside in the United States, and we send it to them. I will show you by the returns that the taxation imposed by Congress has in no way affected the prices, but that the Canadian farmer receives as large a price now as when wool was admitted duty free into the American market. We permit our manufacturers to import American wool, as they prefer the shorter wools for manufacturing purposes; and they are enabled to produce tweeds at a cheap rate, and not only to control the Canadian market, but also to send them into the American market successfully.

Protection to Manufactures.

In looking over the census and trade returns of the United States since 1860—that is, since the protective policy has been virtually inaugurated—I find, upon a fair estimate, that the people of the United States have contributed toward the building up of the manufacturing industries there by way of taxation the enormous amount of $6,000,000,000, and the result of that is that last year, of the $522,000,000 worth of exports sent abroad, but $28,000,000 was of manufactured goods. I ask you whether that has been at best a wise policy which would take from the pockets of those to whom the money belongs $6,000,000,000, in order to encourage manufacturing industries, which, after all, were enabled to produce but ten per cent. of the entire exportations of the country? You have been frequently told by our opponents that the American manufacturer is supplanting the Englishman in his own market. What are the facts? Last year England purchased from the United States $220,000,000 of their products; of this but $6,000,000 were the products of the manufacturers of the United States. I ask you whether this is any evidence that a protective policy has been successful in the United States. My hon. friend the Finance Minister has told you of the mischievous effect a protective policy has on the morals of a Legislature, in creating a system of lobbying and bribing members to secure protection for certain manufactures. The money used in this bribery eventually came out of the consumers of the goods protected.

Who Pays the Duty on Exports?

It is said the Americans have been injuring us by sending into Canada wheat, flour and Indian corn, and I wish to call your attention to this question. Before doing so perhaps I had better give you some evidence of the fact that the duties imposed by the American Government upon the various products of the agriculturists of Canada have in nowise affected the prices of the various articles which have been sent into the American market from Canada. I have here

the prices of the various farm products for the twenty-two years from 1854 to 1876, during eleven of which years reciprocity prevailed, and during the other eleven our produce was subject to high duties. In 1854, the Canadians received on the average for the horses they sold $65 27 per head; in 1855, $74 26; 1856, $77 08; 1857, $76 09; 1858, $79 07; 1859, $84 77; 1860, $81 97; 1861, $81 40; 1862, $77 13; 1863, $75 79; 1864, $78 46; 1865, $79 61. These were the years during which reciprocity was in force. In 1866, we received for horses on an average per head the sum of $92 79; 1867, $78 68; 1868, $82 14; 1869, $82 97; 1870, $87 97; 1871, $93 96; 1872, $101 38; 1873, $105 01; 1874, $107 44; 1875, $104 62; 1876, $102 89. Now, if the 20 per cent. duty on horses had been paid by the Canadian farmer, he would have received smaller prices during the years protection was in force than he did receive in the eleven years of reciprocity. But the fact was, he received higher prices. In regard to the prices of horned cattle, we received in 1854 an average per head of $23 83; 1855, $23 28; 1856, $24 29; 1857, $26 11; 1858, $22 24; 1859, $26 56; 1860, $27 70; 1861, $24 50; 1862, $20 31; 1863, $23 63; 1864, $30 70. These were during the years of reciprocity. Since then, under protection, we received for horned cattle, in 1865, $29 91; 1866, $22 85; 1867, $24 86; 1868, $24 77; 1869, $21 88; 1870, $27 91; 1871, $22 62; 1872, $28 12; 1873, $25 57; 1874, $24; 1875, $21 13; 1876, $23 70; the average in these latter years being quite as high as when they were admitted free from duty. Who, then, pays this tax of twenty per cent. on cattle imported into the United States? The average price per head that we received for sheep in 1854 was $1 75; 1855, $2 16; 1856, $2 83; 1857, $2 88; 1858, $2 20; 1859, $2 29; 1860, $2 76; 1861, $2 72; 1862, $2 47; 1863, $2 75; 1864, $4 58; 1865, $3 61; 1866, $3 40; 1867, $2 33; 1868, $2 28; 1879, $2 32; 1870, $2 63; 1871, $2 64; 1872, $2 87; 1873, $3 03; 1874, $2 74; 1875, $2 63; 1876, $3 59; the average being just as high during the eleven years when duties were imposed as when the sheep were admitted free. Next, take the prices of some of the cereals. In 1854—and mind, this was the period of the Russian war—we received for wheat an average price per bushel of $1 45; in 1855, $1 86; 1856, $1 39; 1857, $1 09; 1858, $0 96; 1859, $1 06; 1860, $1 10; 1861, $1 08; 1862, $0 96; 1863, $0 85; 1864, $0 93; 1865, $0 94; 1866, $1 32; 1867, $1 62; 1868, $1 15; 1869, $1 13; 1870, $1 04; 1871, $1 13; 1872, $1 30; 1873, $1 37; 1874, $1 34; 1875, $1 13; 1876, $1 11. I will now give you the price got for our wool during the same period: 1854, 24c; 1855, 25c; 1856, 26c; 1857, 21c; 1858, 22c; 1859, 30c; 1860, 28c; 1861, 28c; 1862, 34c; 1863, 35c; 1864, 45c; 1865, 43c; 1866, 42c; 1867, 34c; 1868, 27c; 1869, 28c; 1870, 31c; 1871, 29c; 1872, 42c; 1873, 46c; 1874, 35c; 1875, 34c; 1876, 32c. I might go over the prices of barley, rye and other cereals with much the same result, thus establishing the incontrovertible fact that the duties imposed by the American Congress upon the produce of Canada do not fall upon the people of Canada, but are paid by the consumers of these articles in the United States. (Hear, hear, and cheers.)

Canadian, British and United States Trade Relations.

I wish, before quitting this subject, to call your attention to certain trade relations that exist between Canada and the United States and Great Britain. There are a good many of our people engaged in the carrying trade, and we import from the United States a considerable share of their products, but which are not consumed in Canada, but are sent to the English market, and the only reason for these transactions is that those engaged in the carrying trade derive a considerable profit from the business. For the four years ending December, 1876, we imported of animals and cereals to the value of $19,430,000, and we exported $33,638,000, a difference of $14,208,000 in favour of the exports. During the same time we imported from the United States $14,730,000, and exported $19,844,000, or $5,114,000 more than we imported from that country. It may be asked why we did import this $14,730,000, and export the $19,844,000 of produce? Might we not have exported $5,114,000, and kept the whole of the remainder of the animals and cereals for our own use? We did this because it is cheapest, because it is most convenient, because a profit is to be made. We import the produce of the United States, though we raise the like ourselves, for the same reason that we import American coal into Western Ontario although we have large supplies of coal in Nova Scotia—because it is more convenient to export our own produce at certain points, and more convenient to import the same products of the United States at other points. During these same four years we imported of the products of agriculture from Great Britain $1,943,000, and we sold them $58,675,000, or our exports exceeded our imports in value by $56,732,000. We imported in the same period from the United States, of agricultural products, $55,000,000, and exported $34,224,062, or we imported more than we exported by $20,-823,754. You will thus bear in mind that we actually exported to Great Britain in those four years $56,732,000 of farm produce, although of that amount $20,822,754 was the produce of the United States—it was not of our own raising. Why did we import into Canada and export into Great Britain? Simply because we were interested in the carrying trade, and our forwarders interested in it realized a profit. And if they realized a profit I see no reason why the Government should interfere with this trade. Are not so many Canadians better off than before? I don't see that the Canadian farmer is injured because the parties who are engaged in the carrying trade are becoming prosperous. I think that in this matter there cannot be too much freedom; and I think we ought to take as much interest in the welfare of those with whom we trade as a merchant takes in the prosperity of his customers. There is no merchant who wishes to see his customers become impoverished. There is no nation becoming prosperous by the impoverishment of those who are trading with it, The prosperity of the United States contributes to the prosperity of England as well as other countries; and if Canada has not been so prosperous of late as she was a few years ago, it is because of serious embarrassments that have overtaken those countries with which we have been trading.

Wheat and Flour Trade.

I wish to call your attention to the trade in wheat and flour with the United States and England. We have imported from the former during the four years ending December, 1876, beyond what we exported to them $23,057,000 of wheat; of flour we imported beyond what we exported to the value of $6,069,000. Well, has that injured the Canadian farmer, or has it made the carrier prosperous at his expense? I think it has done neither. That excess was not consumed in Canada, but purchased for a foreign market, and not in the least affecting the prices received by our farmers. In the same time we have sent to England an excess of wheat to the value of $36,500,000, and of flour worth $5,344,000. We imported from the United States of the two in this time $29,126,000 worth, and sent to Britain $41,844.000. It will be seen that we did not send to England of our own produce more than $12,718,000 worth—that is, instead of sending to England $41,844,000, we only sent from Canada $12,718,000. Has this excess of $35,000,000 forwarded to England through Canada damaged us? It has in no way injured the farmer of Canada. The prices that he receives have been in no way affected by American taxation. What profit has there been in this importation of upwards of thirty millions during those years? It means that our buyers have made a profit, and that they have been giving employment to our shipping. Our lower taxation has given us the advantage over the Americans in the carrying trade. And why? Because we have not pursued that mistaken policy that has been pursued by the protectionists of the United States, and as a result we have shared largely in the benefits of the carrying trade of that country. All this is to the advantage of Canadian farmers.

The Question of Corn.

With regard to corn, it is said American corn enters into unfair competition with the coarse grains of Canada; that you are getting a less price for your peas and oats than what you would get were it not for this trade in corn. In 1874 we purchased 5,331,000 bushels of corn for $2,676,751, and we sold of it 2,680,000 bushels for $1,708,000. We bought the whole for forty cents, and sold a little more than half of it for sixty cents per bushel, so that what remained in Canada cost but thirty cents. Was that a bad transaction? In 1875 the results of the trade were the same. In 1876 we imported 3,335,000 bushels of corn, costing $2,356,000. Of this we exported 2,000,000 bushels, receiving for it $1,439,000, retaining in Canada the balance, principally for the purposes of distillation. We paid 60 cents per bushel, and got for what we exported 71 cents. What remained cost us 55 cents per bushel—certainly not unprofitable to those engaged in the trade, and I am inclined to think money put in their pockets is so much added to the capital of the country. Let us look at some of the other transactions in the purchase and sale of cereals. The farmers have during the past four years received 75 cents per bushel for barley, and have paid an average price of 45 cents for corn. A bushel of corn is worth as much for feeding as barley, and if a farmer chooses to sell his barley for 75 cents and buy corn at 35 cents, is it anybody's business? If he can save by so buying $100, is the country injured by that transaction? Should not the farmer be permitted to exercise his judgment on this matter without Government interference? It is perfectly clear that no interference by our Government would benefit the farmer, and it is also clear that, however well Dr Orton may be qualified to administer physic, he is not qualified to further the interests of the farmers by dosing them with his trade nostrums. (Cheers and laughter.)

Coercing the Americans.

These gentlemen say, "Oh! we will coerce the Americans into reciprocity by retaliation." We admit that reciprocity is a good thing, but we cannot get it. I don't think we are likely to coerce forty millions of people into free trade by such means, but if we are able to show that under our system the farmers of this country are more prosperous than theirs, that our woollen manufacturers are more prosperous than theirs, we will have done a great deal towards coercing the Americans into the adoption of a truer economical policy. It is very extraordinary that these gentlemen, who gave to the Americans, without any equivalent, and notwithstanding the opposition we offered, the use of our canals, the navigation of our rivers, the use of our fisheries—the only means by which we could possibly influence the electors of the United States—should favour a retaliatory policy, that they should complain that we have not adopted a policy which would coerce the Americans into granting us more favourable terms.

Causes of the Depression.

A great deal has been said against us. The hard times have been charged against the Canadian Government. I think that during the last four years the Canadian farmers have had little difficulty in disposing of their produce. The dulness of the lumber market had a great deal to do with the depression; but are we to be held responsible for the revolutions that exist in some of the Republics and States of South America—when peaceful, good customers of ours for lumber—the inability of the people of the United States to purchase the products of our forests, for the civil war that at present exists in Cuba, all of which prevents the people of these countries from purchasing largely of our lumber? We have sold as much as $36,000,000 of lumber a year, and this money found its way into the pockets of all classes of the community; but owing to the present inability of our principal customers to purchase from us, the annual income of the people of Canada has been correspondingly reduced, and we must suffer such depression until that trade revives. I ask you what policy the Government of this country could adopt that would relieve this stagnation in the lumber trade? Last year we had a Parliamentary Committee, and made inquiry into this subject, and we asked the lumbermen if they had any remedies to propose—any suggestions by which the lumber trade could be restored. They told us they had nothing to suggest. Nor could they. It was impossible that that trade could be

revived until those people who formerly purchased from us had become more prosperous than they had recently been. Dr. Orton has told you what taxes you have paid as farmers into the treasury of the United States. I have pointed out that you paid nothing, and I have given ocular evidence of the truth of the statement that in no department have the farmers been injured by the fiscal policy of the United States. The reason why we should favour reciprocity is that trade would thereby be extended. Under the present relations twenty per cent. on the cost of all Canadian produce is paid by the American consumer into the United States treasury. Were there reciprocity it would permit of an increased purchase of goods. There would be a larger market than at present, and both parties would be benefited. What is now paid into the American treasury in the form of taxes on Canadian barley, would then be paid to the Canadian farmers for new produce. And so with other articles. Those gentlemen who talk in favour of retaliation forget this fact—that if retaliation is a good thing they ought to tell us why the Conservative Government of England don't adopt it. They are more affected than we. They send nearly $300,000,000 of their manufactures into the United States. Why don't the people of England adopt a retaliatory policy? Because they believe it would not be wise policy; because retaliation would hurt them; and it is because it is against the interest of the people of the United States that we expect in a reasonable period of time their fiscal policy will be changed.

American Opinion Changing.

It is a mistake to suppose that the people of that country are largely in favour of protection. Governor Tilden, the Democratic candidate in the recent Presidential election, ran as an avowed free trader, and you will find on examination that the people of the United States are not, as a whole, favourable to a protective policy. The advocates of protection here say to us, "Look at the wise people in Washington, and follow their example." We have no such extraordinary admiration for their system, or so much confidence in the superior wisdom of the Congress of the United States, as to travel in their steps. We choose to think for ourselves, and we do not choose to adopt a policy, wrongly named a national policy, in imitation of the United States; we choose to adopt a truly national policy, one which we can defend before an intelligent people like those who are prepared to support the present Government throughout the Dominion. Let me say here that this question of retaliation, many years ago, was discussed in the House of Commons in England. When Sir Robert Peel proposed to repeal the Corn Laws, he was asked by some of his friends to see what other countries were disposed to follow his example of free trade. Sir Robert Peel told them he did not believe that the people of other countries were sufficiently well informed upon the subject, or had studied it sufficiently to adopt the principles of free trade to the same extent as he proposed England should adopt them.

What Sir Robert Peel said about Retaliation.

On that occasion he said :—

"I have no guarantee to give you that other countries will immediately follow our example. I give you that advantage in the argument. Wearied with our long and unavailing efforts to enter into satisfactory commercial treaties with other nations, we have resolved at length to consult our own interests, and not to punish other countries for the wrong they do us, in continuing their high duties upon the importation of our products and manufactures, by continuing high duties ourselves, encouraging unlawful trade. We have had no communication with any foreign Government upon the subject of these reductions. We cannot promise that France will immediately make a corresponding reduction in her tariff. I cannot promise that Russia will prove her gratitude to us for our reduction of duty on her tallow by any diminution of her duties. You may therefore say in opposition to the present plan, 'What means this superfluous liberality: you are going to do away with all these duties, and yet you expect nothing in return?' I may, perhaps, be told that many foreign countries since the former relaxation of duties on our part—and that would be perfectly consistent with the fact—foreign countries which have benefited by our relaxations, have not followed our example: nay, have not only not followed our example, but have actually applied to the importation of British goods higher rates of duties than formerly. I quite admit it; I give you all the benefit of that argument. I rely upon the fact as conclusive proof of the policy of the course we are pursuing. It is a fact that other countries have not followed our example, and have levied higher duties in some cases upon our goods. But what has been the result upon the amount of your exports? You have defied the regulations of these countries; your export trade has greatly increased. Now, why is this so? * * * * But your exports, whatever be the tariff of other countries, or however apparent the ingratitude with which they have treated you—your export trade has been constantly increasing. * * * * * I say, therefore, to you that these hostile tariffs, so far from being an objection to continuing your policy, are an argument in its favour. But, depend upon it, your example will ultimately prevail. * * * * In spite of the desire of Government and Boards of Trade to raise revenue by restrictive duties, reason and common sense will induce relaxation of high duties. That is my firm belief."

And the increased trade and prosperity of England and the improved condition of the agricultural classes is evidence of the wisdom of the views Peel entertained. He was told by Lord George Bentinck that the agricultural classes would be found begging their bread throughout the kingdom if free trade were adopted. But how different was the result! Sir Robert Peel's expectations turned out correct, and there is not at this hour a single protective duty remaining in Great Britain. The agricultural labourer is better paid, and he is more prosperous to-day than before, and the various manufacturing industries have increased more than three hundred per cent.

The Balance of Trade Illustrated.

It is said that under our system we are importing more than we export; that the balance of trade is against us. I do not know anything upon which there is so much said with so little sense by our political opponents in their speeches as upon this subject of the balance of trade. The people of England have annually an average of £100,000,000 as a balance of trade against them. If this was an evidence that she was growing poorer every day, she would be £1,600,000,000 poorer in 1876 than she was in 1860. But the fact is, she has been growing more wealthy all the time. These statements in regard to the balance of trade are misleading. Suppose a man

chartered a vessel to start out from some port of Ontario with $100,000 worth of wheat, which would be entered at the Custom House, "Exports, $100,000." He sells it for $150,000, and buys dry goods for this amount, which would be entered as "Imports, $150,000," and thus giving rise to the idea that there is a balance of trade against him of $50,000, whereas that $50,-000 is profit. That balance of trade may represent no more than what he might have realized in the carrying trade of the Dominion, and this being the case, I don't think you are likely to be misled by these representations in regard to the injurious consequences of having a balance of trade against you.

Not Afraid to Face the Electors.

It is not my purpose to detain you further in the discussion of this subject. Dr. Tupper is anxious for a general election. While enjoying the confidence of the Parliament of the country we have no reason for going to the electors before it is necessary; but I have no doubt that when the time comes that the views of the present Government are to be contrasted with those of our predecessors, that we will not suffer for our action. I don't admit that the present Government has been a failure—that we have falsified the promises of the past, and have failed to meet the reasonable expectations of the country. I maintain that the present Government has been successful in its efforts which have been made in the interest of the people. I deny that the Reform party is in Canada a failure. I maintain that it is still in its youth as a governing party, still full of life and vigour, and when the opportunity offers it will be sustained by the people. (Cheers.)

THE PREMIER'S SPEECH.

Hon. Mr. MACKENZIE was then introduced, and was received with hearty cheers. He said: Mr. Chairman, Ladies and Gentlemen, I am delighted to have an opportunity of meeting so many of the ladies and gentlemen of this county, and I am glad to observe that in point of numbers this meeting is nearly equal to the vast assemblage we addressed two days ago at Clinton—a meeting which even the *Mail* admits was attended by 10,000 of the people of Huron; so, making the usual allowance for that newspaper's estimate of Reform gatherings, you can form some idea of the vast number who were present. (Hear, hear.) At the present time it is peculiarly desirable that in the place where a political gathering was held by our opponents we should have an opportunity of expatiating somewhat on those public questions which have become the subjects of general discussion over the whole country. I have remarked at other meetings that it was not my purpose to discuss at every gathering of this kind all the various questions which have been referred to during the last few weeks, but to take up at each meeting some particular questions of the number which we propose to discuss in the course of the series of meetings we are now holding.

Members of Government Willing to Defend Themselves.

I freely admit at the outset that it is rather the function of the members of the Administration to defend and justify their own policy than to attack the policy or the acts of those who are opposed to us. I admit that it is peculiarly the function of the Opposition of the day to criticize the policy of the Government if they disapprove of it, and attack particular acts of the Administration if they consider we are blameworthy in these acts.

Opposition Cannot Complain if Application of their Reasoning is Made to Themselves.

But in reply to the asseverations of our opponents, it is always just and fair to compare the transactions which they condemn with those in precisely the same line in which they themselves took a part. We have therefore at the meetings which we have attended not only defended our own policy, but we have defended it by a fair comparison with the policy of the late Administration. Let me give you a single example. We were blamed at some of their meetings because we loaned the Canada Central Railway a few tons of iron rails on which we had a lien; in other words, we allowed them to use the rails, which were their own property, but on which we had a lien. We were told in angry terms that this was an unconstitutional proceeding. I never admitted that, because I contend that in certain circumstances the Government have a right to lend even the public credit.

Lending Rails, or Cash.

For example, we gave the sum of $20,000, without the immediate authority of Parliament, to alleviate the distress which followed the St. John fire—(hear, hear, and cheers)—and I believe that under the circumstances we were right in doing so. (Hear.) I contend that we had a perfect right to lend, or allow the Canada Central Company to use a portion of the rails on which we had a lien, in order to finish the road to a point to which it was of the utmost importance in the public interest that it should be completed by a certain time. It was of the greatest necessity to the trade of the country that the road should reach the town of Pembroke. But I say furthermore, "Assuming that you are right in denouncing us for doing so, how can you conscientiously find fault with us when you yourselves lent $10,000 in cash without any parliamentary authority to a city gas company to enable them to complete their works?" (Hear, hear.) I will not discuss the question of whether they were right or wrong at the present moment. I merely take their conduct in illustration, and say, even if we were wrong, it certainly does not lie in your mouths to condemn us; though I maintain that intrinsically our act was not a wrong one. (Hear, hear.) I will now allude briefly to one or two other strong accusations which they make against us, and then pass on to other topics.

Increase of Taxation by the Two Governments.

One of their charges is that we increased the burden of taxation. I showed at a former meeting that if we increased the taxation in the same ratio that the late Government did, we would have an increase at the present time of $5,910,000, whereas we have not increased it at all. (Cheers.) They increased it, as Mr. Cartwright has shown, in six years of office, from thirteen to twenty-three millions. I notice that Senator Macpherson is out with a pamphlet republishing his speech in the Senate, in which reference is made to this subject; and Dr. Tupper and Sir John Macdonald are perambulating the country, each in his own way and manner, trying to make it patent to the country that we have really belied the promises we have made.

Ta F'hairson.

Senator Macpherson's appearance on the public arena as an essayist or debater, with two others in the persons of the late Premier and Dr. Tupper, reminds one of a passage in Aytoun's poems, half English and half Gaelic, which describes the feud between the clans Macpherson and McTavish:—

"F'hairson swore a feud
Against the clan McTavish;
Marched into their land
To murder and to ravish:

For he did resolve
To extirpate the vipers,
With four and twenty men
And five and thirty pipers.

But when he had gone
Half way down Strath Canaan,
Of his fightin' tail
But three were remainin'.

They were all he had
To back him in ta battle,
All the rest had gone
To drive off ta cattle."

(Loud laughter.)

In the present case Senator Macpherson becomes an essayist, and Sir John A. Macdonald and Dr. Tupper are

"The only twa that's left
To back him in ta battle."

(Laughter.)

And before this redoubtable triumvirate we are expected to vanish, as an Administration, into thin air. Like Davy Crockett's celebrated coon, we must "come down" when the gun is pointed at us. (Laughter.) I think the Finance Minister has shown you conclusively to-day that one branch of the Administration on which we have been strongly assailed is in the safest possible condition. (Hear, hear, and cheers.) I am quite sure, too, that Mr. Mills, a close student of political economy, has satisfied you as to the political wisdom of the course we have pursued in reference to what threatens to become, in the eyes of the country, rather a large object for discussion.

The Revenue Requires a High Tariff, which Exists.

It is true, as I have stated before, that the question of protection as a principle does not really rise in the present discussion, because it is absolutely necessary that we should raise a revenue by the imposition of customs and excise duties, or else adopt the alternative of a direct tax upon the people. A revenue must be had, and therefore we have adopted the principle of a revenue tariff, though that tariff does give a large protection to those engaged in manufacturing pursuits. And I need not point out to a people of whom nineteen out of twenty are farmers, dependent on the product of their labour in the soil for a living, that they themselves necessarily pay by far the largest proportion of any tax that is imposed, whether in the shape of customs and excise or by direct taxation. (Hear, hear.)

A Protective System Fatal to Industrial Interests.

Nothing could be more fatal to the farming and industrial interests of the country than to impose a system of protection upon the country; a system which would have for its object the taxation to an extreme degree of the only classes who are now the producers of the country; those who make the wealth of the country, such as it is. (Hear, hear, and cheers.) Nothing astonishes the agricultural mind, and the country generally, so much as to find that in a fine farming county like this, it is possible for a medical gentleman, talented and clever in his profession though he may be, to persuade a majority of the farmers here that his policy is one which would benefit them, when the fact is it would absolutely ruin them. (Hear, hear, and cheers.) Mr. Mills has proved by the most irrefragable evidence that not only would such a system be injurious, but that the opposite policy has been extremely beneficial in the Old Country.

The English Farming Interests and the Anti-Corn Law League.

I remember when I was a boy listening to George Thompson, Cobden, and other great leaders in the Anti-Corn Law agitation, and I recollect well that the farming population, the great landed interest of Britain, were in a state of the greatest alarm, believing that while free trade might benefit the striving millions of the town population it would prove ruinous to the agricultural class. I pointed out at Clinton what the result had been—that at the time the Corn Laws were repealed the wages of agricultural labourers or ploughmen were £8, or £10, or perhaps £12 per

annum. I have no doubt I am now addressing many of the Old Country ploughmen who received these wages. (Hear, hear, and cries of "That's so.") Two years ago I passed a considerable portion of my time in the agricultural districts of England and Scotland, and I found that where £12 was the highest wages paid in corn law times £24 was now paid, while their houses were much better, and the general prosperity much greater than it was formerly. (Hear, hear, and cheers.) I found that land which was held at a rental of £1 10s., rents now for £2 or £3, and land which then rented for £3 now brings £5. I found that horses that sold then for £50 now readily bring £100, and so on through other agricultural products. These are facts which cannot be disputed; and it would be such a miserable example of political folly to believe that we would be benefited by the imposition of more taxes on everything we buy, that I think any one who attempts to persuade you to adopt such a doctrine must be blessed with a good deal of assurance. (Hear, hear.) Let me say this much, that there is no more principle in the demand of Sir John Macdonald for protection, than there would be if he should all at once demand a republic. (Hear.) No, Sir John Macdonald is as much as I am a thoroughly free trade man. It is simply impossible that a man like him should have gone through as long and as distinguished a course of public service as he has, and spent almost thirty years in Parliament, without having imbibed the ideas of progress so prevalent in our age.

No Matter of Principle Allowed to Stand between Tories and Office.

But I know at the same time that there has never been a principle he advocated that he was not willing to set aside and trample in the dust if he could thereby climb over its ruins into office. (Hear, hear.) If time only permitted, I could start at the beginning of his career and trace up the measures he opposed one day and proposed the next. I could show, for instance, that he delivered strong speeches at one time in denunciation of religious equality and civil freedom, and at another time his utterances were such that on the strength of them Dr. Tupper the other day at Kingston proclaimed him the champion who carried the flag of civil and religious equality all over this country. (Hear, hear, and laughter.) The contortions which these gentlemen make in their political deliverances are positively grotesque, but it is at the same time pitiable that men of great ability should so prostitute their abilities as to make themselves the mere laughing-stocks of the country—the jumping-jacks of a political system. (Cheers.) I have no time to-day to enlarge on this subject, and I propose now to devote a few minutes to a discussion of some matters which these gentlemen do not discuss. Sir John says it is my business peculiarly to defend, and theirs peculiarly—yes, sometimes very peculiarly—to assail (laughter); and I find no fault with them for assailing us, provided always that they don't stretch things quite so far as they have been doing. (Hear, hear, and laughter.) But, sir, there are two or three matters upon which I feel that I shall be at perfect liberty to attack; or in other words, to use Dr. Tupper's phrase, I shall venture to carry the war a short distance into Africa. I don't deny the abilities of our opponents.

The Kind of Criticisms Made by Opposition.

It is quite true they decry us. They tell people everywhere that I am a signal failure; that Mr. Cartwright is a blunderer; that Mr. Blake is no lawyer and no statesman; that he is somewhat of a Chancery practitioner, but nothing more, and that there is nothing whatever in the Administration which could justify them in assuming the *role* of political leaders in any country. I shall leave the appreciation of our respective abilities to a discerning public, believing that they will estimate each of us at our proper weight. (Loud cheers.) But there is one remarkable feature about the speeches of these gentlemen. They all agree thus far: to wit, Sir John says a thing, Dr. Tupper swears to it, and William Macdougall comes afterwards and gives a certificate of correctness to both of them. (Laughter.) Of course I admit at once Mr. William Macdougall's capability of giving a certificate for anything under the sun. (Loud laughter.) At the same time it is but fair to Mr. Macdougall to say that we can get him at any moment that we choose to whistle for him. (Hear, hear, and laughter.) But assuming this to be all correct about our lack of ability, our want of political wisdom and of intellectual and financial power, how in the world is it that in the course of a few years the gentlemen whom I lead, and I myself as the leader of the party, have succeeded in placing these men in a minority?

The "Poor" Ability of Reformers enough to Defeat the Able Tories.

What can be the abilities, what can be the power, financial or otherwise, of a set of men who were defeated and are kept out of power by such ninnies as we are? (Hear, hear, and laughter.) If we are so bad, how very bad must they be. But I know the whole secret. Your average Tory is never content, in school section, in township, in county, or in city, in Provincial Parliament, or in Dominion Parliament, unless he is fattening on the sweets of office. (Hear, hear.) I know what that party can endure, what sacrifices they can make for the sake of showing what they call their true patriotism. They are willing to sink any principle, no matter how precious it may be to them—and we all know how precious all principles are to the Conservatives. (Hear, hear, and laughter.)

Tories always willing to Serve their Country.

There is nothing in their profession or the doctrines which they hold that they are not willing to sink in order that the country may have the inestimable benefit of their services as a Government. (Hear, hear.) It surely ought to make every Canadian proud to feel that there is a political party who are actuated by motives so pure and patriotic as to be willing, for the country's sake, to forget anything and everything they have ever done in order to be in a position to serve the people. (Hear, hear, and laughter.) I scarcely think it would be fair in

us to take advantage of patriotism so pure as that; it would be too hard to ask them to make such a wonderful sacrifice on the altar of their country, as a whole stock-in-trade of Tory principles and professions. (Laughter.) No! We should rather say to them, "You have suffered enough for your country—(laughter)—for any sake don't feel called upon to do any more in that line; go in peace, and the country will forgive you." (Hear, hear, and laughter.) But supposing they were again to resume the reins of power—what will they do? We have a fair right to ask this question, and to look to the antecedents of those who aspire to the Government of this country. (Hear, hear.) Now, I admit that if they went through the country opposing some of the measures or the policy of the Government, endeavouring to convince the people that we are entirely wrong in our policy—and an honest policy, if a wrong one, may be as bad for the country as a dishonest one—then I say that they would be occupying at least a good position, however successful or unsuccessful they might be in proving their statements.

Beginning, Middle and End of Opposition Speeches.

But when they come before a meeting, in the first breath they say, "Well, gentlemen, we are delighted to know that there is a reaction in the country, and that in a few months we will be in office and these fellows out." And that is the preface, beginning, middle, and end of their policy—to get into office. (Hear, hear.) They begin then to show why we should not be in office. But reasons might possibly be shown why we should not be in office, and still that they ought not to be in our places. The people believed in 1874, almost unanimously, that the political leaders of the Conservative party had become defunct, and that it only remained for respectable members of the party to gather up the fragments of the wreck, and endeavour to put the ship together by some new means, and launch it on the political sea with a respectable captain and crew. But now they come to us with the same old wrecked ship, and the same captain and the same engineer who let the engine get out of order before; they ask the Conservative party to trust themselves in that ship once more, with a captain whose certificate of competency was withdrawn in '74, simply, it appears, because there is no other person in this country capable of leading the Conservative party but Sir John Macdonald and his *locum tenens*, Dr. Tupper. If that is the case, then I offer my sincere condolences to the Conservative party—(hear, hear, and laughter)—and I know they will receive them in a proper spirit, knowing how sincerely I feel for them in their affliction. But let us examine those whom we are now told are the great leaders of that party.

Everything Forgiven to Tories, Pacific Scandal Included.

They say that all the past is to be forgotten; all accusations of former misconduct are dubbed foul slanders, and that piece of political iniquity, the Pacific Scandal, is spoken of as a passing cloud which has passed away, and left the sunshine of a Conservative reaction beaming brightly and strongly on Sir John Macdonald's head once more. It was supposed that this was the only political iniquity of which they were guilty, and it was bad enough to consign to political perdition one-half of their own supporters, but it was not the only transaction of the same kind of which they were guilty, and I shall take up a few minutes in referring to another transaction or two which bear almost as black a stamp as that which marked the Pacific Scandal.

The Northern Railway.

You have all heard of the Northern Railway of Canada. Most of you have seen *Grip's* wonderful picture of the Northern Railway cow - (laughter)—in which the various Conservative leaders are represented in various attitudes drawing the milk from that forlorn and hapless animal, or carrying it off in dishes of every kind and shape. Ridiculous as the picture is, it represents a serious phase of our public affairs. The Northern Railway had lent to it a large amount of money for the purpose of helping to build the road—something like £500,000 sterling, if I remember aright. It got into difficulties, and we agreed to put the lien we held for this amount behind an amount which was required in order to put the road in good repair. Some English gentlemen took up this sum and became bondholders, and thereby acquired the right to vote, their voting power exceeding that of the ordinary shareholders. There was a good deal of uneasiness in the country about this road. It was known to be paying considerable dividends to the bondholders, but none to the shareholders, and very little interest to the Government—none on the lien proper, though some on the amount of £50,000 of bonds for a time.

The Amount to be Taken by late Government in Payment of Lien and Bonds.

Immediately before this Government came into power the late Government proposed to cancel the entire debt of the Company for the £100,000, though they held bonds to the amount of £100,000 nominally, so that they were receiving a mere trifle for the entire lien. We opposed that proposal as an inadequate settlement. Shortly after we came into office the question came up again. In the meantime some of my colleagues investigated the matter pretty fully, and we found that there was reason to believe that the Company could well manage to pay double the sum that the late Government agreed to take in settlement; in other words, that they might obtain one million dollars instead of half a million. We introduced a Bill into Parliament to take this amount. The Bill was carried through. They were unable to pay at once, and we introduced a Bill to extend the time.

Information given of Frauds in Payment of Monies belonging to the Government.

In the meantime an officer in the Company submitted to me a statement which showed there were gross frauds perpetrated by the directors of that Company. The Government immediately issued a Commission of Inquiry, and we were assailed for so doing as if we had committed a terrible act of wrong. The Commission, however, developed facts of an extraordinary character.

Senator Macpherson and the Northern Railway.

It was found that the leader of the Government, who had agreed to take £100 000 for the entire debt of the Company, had himself received from Senator Macpherson $2,500 to his testimonial out of the funds of the Government in the hands of the Company. It was found that another Conservative gentleman, Mr. Cumberland, had received many thousands of dollars for the direct and avowed purpose of paying his election expenses. It was found that Mr. John Beverley Robinson, another light in the Conservative ranks, and a worthy representative of his class, had obtained many thousands of dollars to carry his election.

Cumberland's, Robinson's and Hincks' Election Expenses Paid,

Then Sir Francis Hincks was taken into the Government in 1869. He had no seat, so they got Mr. Rankin, of North Renfrew, out of the way by making him a Custom House officer, and put up Sir Francis to run for that constituency. In order to raise money for his election expenses, Sir John drew for $1,000 on the Northern Railway Company, and it was sent to Sir Francis to help in carrying the election. Though Sir John was a trustee for the public, he appropriated for an improper purpose the money which really belonged to the people of Canada—paid it over to his partisans to obtain them seats in Parliament to oppose us on the Opposition side of the House. And all the time that the Commission was sitting in Toronto, before the facts became public, we were assailed with the grossest abuse by the *Mail* and the other organs of the Conservative party because we dared to inquire into these iniquities. My colleagues and myself found it necessary to have the matter submitted to a Parliamentary Committee ; and so strong was the evidence adduced before that Committee—showing, as it did, that beyond the transactions, which have not been investigated, but which may be yet—beyond the amount of money loaned to the Couchiching Hotel Company, the sum of nearly $30,000 of the public money of Canada has been taken out of the funds of this Company for political and partisan purposes—that we provided by an Act of last session that before the sum of a million dollars was paid they should pay into the Treasury the sum of $27,000 and assign to us the mortgage on the hotel property.

Company Compelled to Refund Money.

I ask if anything could be more scandalous than for a Ministry who had a Company of this kind practically in their hands, who knew that the profits from the trade of the Company should have gone to pay interest, to engage in such transactions ? (Hear, hear.) They must have known that the people of Canada would some day or other bring these things to light ; yet such was their political necessity, that in order to carry elections which were supposed to have been carried by the free, unbiassed will of the people, they deliberately put their hands into the public coffers and took this money—just as much as if they had taken it from the Treasury proper. (Hear, hear.) It astonishes me beyond measure that men who could be guilty of transactions of this sort are not afraid to face a public audience (hear, hear) in Ontario, and it does say a great deal for the long-suffering forbearance—or something else—of the Conservatives in the various places where their meetings have been held, that these gentlemen have come and gone without any one having been found bold enough or honest enough to ask a single question of these men in regard to such transactions. (Hear, hear.) I have found that when Conservatives come to our meetings they are extremely anxious to get explanations about the purchase of the steel rails, but, wonderful to say—

No Enquiry by Tories about Northern Railway Matters.

—though I have on several occasions explained that matter freely, and I believe to the satisfaction of every fair-minded man—(hear, hear)—they stick to that question, and never put their enquiries in the direction of Northern Railway matters (Hear, hear, and cheers.) I have been delighted to have had the opportunity of giving the clearest possible explanations about steel rails and other matters connected with any branch of the public service. Yet I have never heard a word or a whisper of enquiry from the loyal, the super-loyal Conservatives in regard to Northern Railway matters. (Hear, hear.) What can it mean? Has somebody cast a glamour over them ? Have they been dosed with chloroform —(laughter)—or some other mysterious and potent drug which binds their tongues to eternal silence on these subjects ?

The Secret Service.

Then there is another transaction about which they are equally silent, and that is the Secret Service money. (Hear, hear.) I have frequently found fault with the manner in which that money was disposed of. It has always been suspected that a great portion of the large sum——nearly $200 000—voted for Secret Service purposes was not expended in any service that was beneficial to the State. But if the Conservatives defend by their silence the policy of taking tens of thousands of dollars of the public funds through the Northern Railway exchequer, they are not likely to find much fault if Secret Service money has been used for a similar purpose. I don't say it has been so spent, but I will show presently that there has been an ominous silence, a withholding of information, which bodes no good as to its destination. (Hear, hear.)

Cash in Bank to Credit of Committee of Council.

Let me state the simple fact, that about a year ago we found out that there was at the time we came into office about $32,000 in the bank standing to the credit, not of the individual members of the late Government, but standing to the credit of the Minister of Justice, the Finance Minister, the Minister of Inland Revenue, and the Minister of Militia, who were designated in the Order in Council, not by their names but by their offices. I never knew before that moment that there was a dollar of that money in the bank. I came to know first before the meeting of

the session of 1876 that Sir John had drawn $6,600 of this money to pay what he called obligations incurred before he went out of office, and had paid back $25,000 into the Treasury. Well, the matter was in the hands of a Committee of the Privy Council, and he had no more right to touch that money than any one of you had. (Hear, hear.) It no more belonged to him than it did to the Emperor of China. But the banker, supposing that the leader of a great political party, and a high-minded statesman, would not be guilty of drawing the money without proper authority, allowed him to draw it out. An investigation was held before the Public Accounts Committee, and that Committee decided by a vote of 36 to 13 that the money was improperly taken, that no portion of it was in tne hands of Sir John Macdonald and his colleagues, but belonged to a Committee of Council, who were designated by their official titles in the Order in Council. Has the money been paid back? No, it is still held or disposed of in some way. I do not know what may be proposed to be done in this matter. Parliament has ordered that the money shall be collected, and what shall be done in the case has yet to be determined. Dr. Tupper is the only man who has had the assurance to say anything about secret service at any of their meetings, and I can tell you it would be a dreadful thing indeed that he would not have the assurance to speak about. He says:—

"What was the result? Why, in a House where the Government have a majority of fifty still, * * * * when they had to vote one Government supporter after another went out of the House, ashamed of standing before the people as having attempted to fasten such a charge upon my right hon. friend. One Minister left his seat vacant because he was not willing to follow his Premier in such a proceeding, and their majority of 50 dwindled down to 22."

Hon. Mr. Smith's Vote on the Secret Service Matter.

Then he says that Mr. Smith, one of my colleagues, went out to avoid voting with him. That is a —— Well, I need not characterize it—(hear, hear, and laughter)—you can apply whatever word you use in ordinary cases, when a thing told you is not true. (Hear, hear.) Dr. Tupper knew he was stating what was not correct. He knew that Mr. Smith went out to get Mr. Archibald, one of our whips, who had gone out in search of another member. But before Mr. Smith got back to his seat the Speaker had put the motion. He would have been only too glad to have voted on the question, but it is a rule of the House that no man may vote unless he hears the motion put from the chair. The division was taken a very few minutes before six o'clock, and most of the members, under the impression that a vote would not be taken until after the dinner recess, had left the Chamber. The division showed a majority of 22 in favour of adopting the report of the Public Accounts Committee; and had the vote been delayed until after dinner the report would have been adopted by a majority of 56. (Hear, hear, and cheers.)

A Mode of Testing Views of House on the Secret Service Misappropriation.

I have only to say this, that if Dr. Tupper or Sir John wish to have another vote on that question they can have it next session, and then they will see what the majority will be. (Hear, hear, and cheers.) I was astounded that any one, Conservative or Reformer, would have voted to maintain Sir John Macdonald's position—that any one would vote that it was right for a member of the late Administration to dispose of public moneys after he had ceased to have any responsibility to Parliament. (Hear, hear.) Our theory of government is this: that no man can dispose of public moneys unless he is a Minister of the Crown, responsible to the Crown itself and to the people. (Cheers.)

A Man not a Minister Spending Public Money.

But here is a man who was out of office for several years, holding secretly in his hands thousands of dollars belonging to the public, and disposing of it in defiance of Parliament, in defiance of constitutional law, of equity, and of every principle that can be imagined to exist in connection with our system of government. (Hear, hear, and cheers.) These are the men who are so virtuously indignant in accusing us of wrong, who want to come into our places, and were prophesying all over the country that we are about to step out by virtue of the public opinion of Canada. They are highly incensed that we should accuse Sir John of anything improper in relation to this Secret Service matter. My hon. friend the member for Waterloo gave his attention to this matter some years before they went out of office, and in May, 1872, he prepared a resolution to be passed in Parliament. which laid down that no Secret Service money should in future be paid unless entered in a book, this book to be audited by two members of the Ministerial party and two of the Opposition of the day. I remember when I was speaking at London just before the general election, and I pointed out the impropriety of the manner in which the Secret Service fund was dealt with, and that in England the Ministers who had it at their disposal had to take an oath that every sum was entered in a book, which was submitted to a proper audit.

Sir John at St. Thomas, in 1872, on Secret Service Money Expenditure.

Sir John Macdonald spoke a few days afterwards at a meeting in St. Thomas, and said that I had spoken in ignorance of the truth, and of what I knew to be untrue. That caused my friends in St. Thomas to call a public meeting. I went there, and gave the English authorities chapter and verse, showing that I was absolutely correct in my statements. (Hear, hear.) But Sir John stated further that not only was I incorrect as to the mode of paying the money in England, but that it had always been the custom there that when a Minister went out of office he always carried with him what was left of the Secret Service money—(hear, hear, and laughter)—and devoted it to his party purposes. You may find, in the reports of that speech in their own papers, whether I am stating correctly what Sir John Macdonald said on that occasion. How can any man be trusted who would deliberately state to a public meeting that that was the proper course to deal with the Secret Service money? And if he avowed that this was the proper way of dealing with that fund, is anything more natural than for his opponents to believe that a considerable portion of the money did not find its way to protecting us from Fenian outrages wherever they were? (Hear, hear.)

Business of a Minister only to Pay Public Money.

I became a Minister in 1874, and the money remained to the credit of the late Ministers without our knowledge till December, 1875, and it was my buisness, if it was any one's, to pay the money to the parties to whom they say it was due; and Sir John Macdonald, by taking this money surreptitiously and improperly, declares that it is right for a man who is responsible to no one to dispose of these funds in any way he may choose, and that I and my colleagues, who are the responsible advisers of the Crown, are not to be trusted with the secret of the names of the parties to whom this $6,600 is to be paid. I think I need say no more, after giving you these two examples of the manner in which we may fairly expect these gentlemen will administer the affairs of the country if they should ever regain their old position. (Hear, hear, and cries of "They never will.") Whoever may be the rulers of Canada in the near future, if the present Government are so incapable as they say, turn them out by all means, but do not put in our places men who have appropriated the public money of the country for their own personal and political purposes. (Hear, hear, and cheers.) If you do believe that we are incompetent or dishonest, by all means turn us out, but select men to fill our places who will administer the affairs of the country in consonance with the sentiments of the people and with those great constitutional principles which are recognised as the groundwork of our political system. (Cheers.) It is the solemn duty of the electors of Canada never to return to office men who have committed the gravest crimes, and who, after being found guilty of these crimes, come to you and say they were no crimes at all. (Hear, hear, and cheers.) I think there should be a statute of limitation on political offences, just as I believe that men who have served a term in the penitentiary in Sir John's constituency—(laughter)—have a right to come back to society if they behave themselves. If public men who have committed great political crimes come back to the country which has condemned those crimes, and honestly avow the wrong, admit that they have violated the law of the land, and say they are penitent, however long I should feel disposed to keep them on the cutty-stool—(laughter)—I should at the same time forgive the offence. But that is not the case with them. They not only go over the country and say that there was nothing wrong in what they did, but they accuse of slander those who say they committed a wrong.

Tories Defend the Secret Service Misappropriation and Northern Railway Abstraction of Government Money.

They defend the Northern Railway iniquities, and say their disposal of Secret Service money was legal and proper. I venture to say that they would not find in the whole of broad England a political man possessed of a particle of integrity who would dream of justifying their acts in those two cases. (Hear, hear, and cheers.) Said a distinguished member of the English Parliament, whose name is a household word in his country, when I met him in the Old Country, "Ah, Mr. Mackenzie, your opponents were rejected for their vices; our party was rejected for its virtues." (Hear, hear, and loud cheers.) Sir, I do not expect that Canada will put any party into power for their vices, or reject another party for their virtues. (Hear, hear, and cheers.) But if I am mistaken; if that is the tone of public opinion in this country; if we are to be subjected to this kind of treatment at the hands of the electors of this country—(cries of "Never")—then, sir, I say that you have no security left for this country, no security for our noble system of government, no security for any of our vaunted institutions which exist under the general Government, no security for the virtue of our public men. (Prolonged cheers.) You may depend upon it that if you once relax the laws of public morality in high places, the contagion will spread like a plague all over the community, you will induce social and financial disorder, and an utter want of principle will be infused not only into our Federal and Provincial Governments, but into the very centre of our municipal and school systems, which will bear its fruit for many years to come, and prove disastrous to our boasted system of self-government. (Loud cheers.) I find, however, that I cannot venture longer to trespass either on my own time or yours, and I will say, in conclusion, that I trust that at our various meetings we have satisfactorily demonstrated that our administration of affairs, whether right or wrong, has at all events been controlled by motives of high honour— (hear, hear, and cheers)—that no charge which could affect the personal honour of any member of the Administration has been formulated and much less sustained by our opponents; and that if you do deem us unworthy of your confidence, they at least are not the men whom Canada would wish to see in our places. (Hear, hear, and loud cheers.) And I have to say here, as I have elsewhere, that if our opponents think that what I have just said is not borne out by the facts; if they imagine they can establish a charge of wrong-doing, or self-seeking, or dishonesty against the Government, or against myself or any of my colleagues, let them do as we do—bring it up in Parliament before a Committee of the House of Commons, where witnesses can be put on oath and every statement put to the test of truth. (Cheers.) I thank you most sincerely for having turned out in such large numbers to hear us address you to-day. I shall long recall with the greatest possible pleasure the happy faces I have seen to-day, the hands which have so heartily grasped my own, and the pleasant, cordial greetings which I have to-day received from you. (Prolonged cheers.) I hope you will bring your kindness into still fuller play by sending some one to Parliament to support the cause of Reform and the course which this Government is pursuing. (Loud cheers and cries of "We will.") I hope you will declare by your votes that you do not support the course which the late Administration pursued while they were in office. This I have no doubt will be the general verdict of the country, and to me it would be exceedingly gratifying if it should also be the verdict of Centre Wellington. (Loud and long-continued cheers.)

The meeting closed with cheers for the Queen, for Mr. Mackenzie and for the Chairman.

THE DEMONSTRATION AT COLBORNE.

MONDAY, JULY 9th.

Speeches of the Premier and the Finance Minister.

The Demonstration at Colborne by the Reformers of Northumberland closed the series. Close upon ten thousand people attended, including all the prominent Reformers of the county, and very many also from neighbouring constituencies. The Chair was occupied by the President of the Reform Association, J. H. Dumble, Esq., and on the platform were:—Hon. Mr. Mackenzie, Hon. Mr. Cartwright, Hon. Mr. Mowat, Wm. Kerr, M.P., J.L. Biggar, M.P., Lewis Ross, M.P., W. H. Burke, M.P., W. Hargraft, M.P.P., and Jas. M. Ferris, M.P.P. An Address was read to the two Premiers, on behalf of the Reformers, by the President, Mr. Dumble, to which both honourable gentlemen responded, after which addresses were delivered by the Hon. Mr. Mackenzie, Hon. Mr. Mowat, Hon. Mr. Cartwright, W. Kerr, M.P., and J. L. Biggar, M.P.

SPEECH OF THE FINANCE MINISTER.

Hon. Mr. Cartwright was received with loud cheers. After a few introductory observations he said :—I do not doubt that you are all aware of the main reasons which have induced Mr. Mackenzie and his colleagues to address various similar assemblages throughout the western part of Canada. I do not mean to say that we would not have been very glad of the opportunity to unfold to such an audience as this is our views on the present state and probable policy—present and future—of this country. But having been publicly assailed before similar audiences, largely, it is true, composed of our own friends collected together from curiosity to see the men who were assailing and belittling us, and having found that we were the objects of a great many charges and misrepresentations, it was plainly a duty my hon. friend owed to those who placed him in power that he should promptly supply a triumphant answer to the charges levelled against himself personally, and that his colleagues, each in his turn, should reply to those charges specially affecting their respective departments.

Reference to other Speeches.

It would be idle to go through all these charges in minute detail on each occasion, and therefore we have decided that at each of the several meetings which we have addressed we would speak on some particular branch, or some particular subject, and would so deal with it that, when full reports of our speeches are published, our friends might be able to judge for themselves (and that is what we always want you to do) how far these charges are true and founded on fact, and how far they were the mere baseless allegations of angry and disappointed place-hunters. Therefore, with respect to those very important questions which I had occasion to discuss in Newmarket, and also in the county of Wellington—that is to say, the question how far our Administration compared favourably with the Administration of the late Government, and how far our theory of the true fiscal policy suited to this country compared favourably with their fiscal policy—I shall not now do more than recite the leading facts I then advanced for the consideration, in the first place, of the electors of these counties, and afterwards, through the columns of the press, of the people of Canada. I may be pardoned, however, for briefly calling attention to certain well-known facts which you can all bear in mind, though for the full details I will refer you to those speeches to which I have alluded.

Difference of Policy.

It is perfectly true that the policy of this Government, of which I am the official exponent, differs very widely and very markedly from the policy advocated by our opponents. I am glad that it is so. It is always a misfortune in political life when there are no distinct questions of principle dividing the men in power from the men out of power; and, therefore, although from their antecedents we could not expect it, we were rejoiced in one sense when we found that Sir John Macdonald and Dr. Tupper had at last avowed some sort of policy and hoisted the flag of more taxes on the farmers of Canada as the sole and only panacea for the distress which has spread over certain sections of this country.



Quack Remedies.

I have heard a great many remedies proposed by a great many quacks for the welfare of the body politic, but I did not think we should be told at this time of day that the true royal road to wealth and prosperity for Canada is to lay more taxes on the people—that we can grow rich by taking money out of one pocket and putting it in the other—that it was wise and statesmanlike to pass laws which, while they apparently doubled wages, were steadily trebling the prices of the articles for which these wages were exchanged—that we should depart from the policy of the British Empire, for which we profess to have such a feeling of loyalty—that we should go back on the policy of Bright and Cobden, of Gladstone and Peel, and of every man of ability and intelligence throughout the boundaries of Great Britain, and that we should be invited to do this—by whom? By men who impertinently arrogate to themselves the right to speak as if they were the only loyal men in Canada—the only ones having a true regard for the well-being of Her Majesty and the Empire of which she is the head. I say the mere fact that we should now be asked to believe such a creed is a curious sign of the times, and a proposition which certainly will not be acceded to by any considerable part of the intelligent electors of Canada. Now, gentlemen, the way in which that policy would affect us, the extent to which the policy of this country ought to be regulated by a regard to the interests of the whole mass of the people, and the injustice it would be for the sake of a small fraction of the people to levy monstrous taxes on the great majority, has been discussed in full detail at previous meetings. I have shown—and I hope that will be pondered a little—how vital the advancement of the interests of the agricultural community are, not only to the agricultural community itself, but to the whole people of Canada, who all more or less derive profit and make a living by the success and prosperity of our agriculturists.

Canada's Real Wealth.

I don't want to flatter you, or depreciate the good that other classes may do to their country, but I do desire to point out that in this present time and day there are but three great sources of wealth in Canada—our farms, our forests, our fisheries and our ships; and that although others may be and are important in their degree, that at present these are the things from which our wealth mainly comes, and that in regulating the policy of this country we must look first and foremost to see how far any policy will affect the welfare of the men who are actually engaged in adding to the real and substantial wealth of the country.

A Growing Evil.

And although I give full credit to the value of the services which the commercial classes afford, I also deem it my duty, in so far as my poor voice and influence can do so, to call attention to what I believe is just now more or less of an evil throughout Canada, and that is the unfortunate tendency that exists among the most promising of our agricultural population to forsake the honest and respectable pursuit of agriculture for the doubtful and precarious gain which they can extract from overcrowded occupations common in towns and cities, and from ill-paid professional work. I think we should be very much better off on the whole if we had fewer shopkeepers, fewer physicians, and fewer lawyers, and more farmers and more artizans. These are the men who produce the real wealth of the country, and as an intelligent friend of mine said to me some time since, "I see they are talking about commercial distress in this country. I can tell you that our real commercial distress is that we have three men trying to do one man's work." I believe this is very near the truth, and that in this respect perhaps the system of education which we now possess, and of which we are justly so proud, is possibly somewhat defective. I would deem it the best result of our excellent educational system if its effect be not to make our young men less but more disposed to honest toil, and so better able to utilize the great wealth which still remains unheeded and undeveloped from one end of our country to the other. (Hear, hear, and cheers.) Depend on it that for a very long period to come Canada will prosper or decay according as the yeomanry of Canada prosper or decay. (Cheers.)

Political Perils of Protection.

One thing more: it is worth your while to bear in mind how great the perils will be which will most assuredly environ the highest political interests of this country if you turn our legislative halls, as has been the case to some extent in the United States, into organizations employed in carrying on a system of lobbying for the purposes of obtaining legislation designed to make the few rich more rich, but the many poor yet poorer than to-day. That has not been sufficiently weighed by those who are so earnestly exhorting us to readjust our tariff, and introduce a protective system under which everybody is to grow rich at everybody else's expense. I repeat, that consequence has not been sufficiently weighed, and had these people done as they should have done—watched the course of events in the neighbouring Republic, and seen how much of the corruption—of which these very men are never willing to cease talking as regards American affairs—how much of this depends upon and is directly due to the unfortunate fiscal policy of the United States, I think that lesson alone would have gone far to disabuse the minds of the people of Canada of any hankering that they might have after a protective system. Moreover, if there be any who believe that Sir John Macdonald and Dr. Tupper, were they replaced in power, would be able to carry out their promises, would be able to give the protection of which they talk, let them remember that Sir John has been prudent enough under all circumstances never to commit himself by any possible vote, or by any resolution which could not be contrived to read both ways. (Hear, hear.)

Careful not to Commit Himself.

Sir John is a very able man, and Sir John never showed his ability more than in this, that, although he was spurred—I might almost say kicked—on from behind, he never would commit

himself in the House of Commons by anything like a thorough advocacy of the so-called protective system. Sir John was far too clever a man to be able even to appear to believe in the doctrines which he was advocating—(hear, hear)—and I pay a great tribute to his intelligence in saying so, although he, perhaps, would not appreciate the compliment quite in the spirit in which it is offered. I never felt more convinced of the clearness of his intellect than after I heard the miserable exhibition he made of himself when he rose to propose his last protective resolutions—of which, I may add, my honourable friend Mr. Mackenzie disposed most effectually in a speech of eight minutes by the clock in replying to Sir John's one hour so-called oration on that subject. For further information on that question I must refer you for proof in detail (drawn in part from the state of things in the United States, as shown by the speeches of their own representatives on the floor of Congress) to the speech which I lately delivered on that question.

Charged with Extravagance.

As regards the charge of incompetency and extravagance, more particularly in the administration of the public finances, I desire to call your attention to a few plain facts, which you will find on record in the public accounts of this country, which cannot be denied, which cannot be gainsaid, and which in themselves will serve as a sufficient defence of this Ministry, not perhaps in all points to the people of Canada, but at any rate in comparison with the administration of those gentlemen who brought the charge. And recollect that if in the course of this discussion I appear to deal not so much with the absolute merits of the question as with a comparison between our acts and those of the gentlemen who preceded us, I do it for this reason : from one end of Canada to another these men have pursued a most peculiar and extraordinary course. They do not come forward and say : The present Government have made mistakes; they have committed errors, and therefore we ask you to turn them out ; but they come forward and say : These men are far worse than we were, and your only salvation is to turn out that incompetent crew headed by Mackenzie, and put in power gentlemen who were unfortunate enough to be turned out for no better reason than because they inadvertently accepted the too extravagant liberality of Sir Hugh Allan. (Hear, hear, and cheers.)

Comparison of Expenses.

So intelligent an audience as this must be aware that if you take the cost of administering the Government during the year 1867—the first year of Confederation—and compare it with the sum which had been attained when we came into office, you will find that in these six years the late Administration had increased the sum total of the public expenditure from $13,500,000 in round numbers in 1867 to $23,316,000 in 1873-4—that is to say, these frugal, economical, wise statesmen had added nearly ten millions of dollars to the total annual expenditure of the people of Canada within a period of six or seven years. Nay, more, they had incurred certain additional liabilities which I have enumerated in detail elsewhere, which require a further annual outlay of very nearly three millions—that is to say, they had added practically as nearly as might be thirteen millions of dollars, or absolutely doubled the public expenditure within about six years; whereas we, on the 1st of July last, when the public accounts are completed, will be found, unless the reports which have so far reached us turn out to be seriously in error, to have only exceeded the sum we found being expended on entering office by from three to four hundred thousand dollars, and that, too, though we had to provide for these three additional millions, and discharge a great variety of public services which did not exist at the time we assumed office. Now, I ask you to consider the result. This Administration in three years have added the sum of three or four hundred thousand dollars to the gross annual expenditure, for the purpose, as I have shown, of defraying the expense of certain public works which were placed under contract by these men before we took office, while our opponents had on their own showing added practically thirteen millions, or say even ten millions; and say, if you think the adding of $300,000 to the annual expenditure was a proof of the grossest extravagance on our part, while for these gentlemen to add thirteen millions is proof in them of wise and far-seeing statesmanship. But I am informed that some of these worthies--presuming on the imagined ignorance of their countrymen—have had the audacity to say that because we took office in the latter part of 1873, we were therefore fairly and justly responsible for two-thirds of the expenditure of that year, which, as I dare say you all know, exceeded the expenditure of 1872-3 by about four millions of dollars. Now, I think that this audience, or any other audience in Canada, or any man who understands the very first rudiments of our Parliamentary Government, will only require to be reminded that the expenditure of 1873-4 was based upon the estimates brought down by Mr. Tilley in 1873; that it was further carried out under contracts made by these gentlemen, and in virtue of measures they had placed in the statute book, to see at once how utterly false such an assertion would be. But lest there might be some here who might fail to appreciate the force of that circumstance, I will briefly recite the chief items of which that so-called increase was composed and I will leave it to any intelligent man in Canada—whether a supporter of the Opposition or of the Ministry—to say for himself whether this Government could be held responsible in any shape or way for one jot or tittle of that additional expenditure. (Hear, hear.) Of these four millions the first and by far the largest item is $820,000, which was added to the interest on the public debt by the assumption of the debt of the Provinces, and by paying the sum of $150,000 to the Province of New Brunswick, which sum of $150,000 is to this day the sole and only benefit—or rather the privilege of paying that money is the sole and only benefit—which has resulted from that wise treaty formed by Sir John Macdonald and his English colleagues at Washington. It is a great privilege truly. Let us prize it as it deserves, as the one and only advantage which has as yet accrued to any

part of this Dominion from the treaty-making talent of "our own illustrious chieftain, our own beloved John A." (Hear, hear.) Only, I trust you will remember that both Mr. Mackenzie and myself were strongly opposed to that grant, because we felt, whatever might be said for part of that proposal, Canada was in no position at that time to be generous to the Provinces which composed it, at the expense of risking the inability to fulfil our own existing obligations. We opposed it tooth and nail, and it was carried over our heads by Sir John and his supporters; and now, because we came into office before the first year in which payment fell due had expired, we are to be held responsible for two-thirds of that $820,000 which these gentlemen voted in our very teeth! So also by the admission of Prince Edward Island under a treaty arranged by them the sum of $500,000 was added to the gross annual expenditure of Canada. By the loan which Mr. Tilley contracted the sum of $250,000 (representing the first half-yearly payment of interest and sinking fund on that loan) was added to the interest on our debt. The cost of the Mounted Police—a sum of $200,000—was charged to the expenditure of that year, and that does not represent fairly, by any means, the whole sum that should have been charged to this item for 1873-4. Then there was for treaties with Indians, $100,000, an expenditure of which I do not complain. Then they increased the indemnity to members, and made additions to the Civil Service amounting to $350,000, and all this was done by statute. They had further increased the expenditure in the Post-office Department about $300,000, and had added a great variety of miscellaneous expenses, which I will not recite in detail, amounting to about $850,000. Now, they had in this way, chiefly by Acts placed on the statute book by themselves, by Acts over which we had no control, by Acts we had continually opposed, added over four millions over which we neither did nor could possibly have exercised any supervision.

Impudent Effrontery.

Yet because in 1873 they left office five months after the commencement of the year, they have the effrontery to ask the people of Canada to hold Mr. Mackenzie and his colleagues responsible for that addition! Now, gentlemen, what I have to ask you on my own behalf, and on behalf of the Government, is this: I don't want you to take my statements implicitly by any means. I ask you to take our speeches, to go to the public records; records prepared by themselves; records which were inspected from day to day by men appointed by them, by men in whom they had confidence; look over them yourselves, weigh them carefully, each for himself, and from those and from the statute books judge which of the two parties are more worthy of belief, which are the more accurate, which the more truthful.

Bitterness of last Session.

I dare say that those of you who scan over, as I believe all the intelligent people of this country do scan with care, the existing records of the doings of Parliament during the late session, may have marked with regret, as did my hon. friend and myself, the tone of extreme and personal bitterness which disgraced the annals of that session. It is always a matter of great regret when the relations between leading public men on both sides become so embittered as they unhappily have become in this country. We felt at the time of the Pacific Scandal that one of the worst consequences of that transaction was that it had almost rendered it impossible for us to deal with men on the opposite side of the House as we would wish to deal with those in whom any considerable number of our fellow-countrymen reposed even a measure of confidence.

The Origin of this State of Feeling.

That, however, was not our fault; it was one result of the sin they committed, and they must bear the penalty of their own crime and take the consequences. Now, during the last year Sir John Macdonald, Dr. Tupper, and their followers brought many and grievous charges against my hon. friend the Premier, which charges they could not prove, which charges they were afraid to prefer on the floor of Parliament, and which charges my hon. friend twice over asked them to refer to a Committee, but they utterly declined to do so. (Hear, hear, and cheers.) Unhappily these idle but ill-considered charges had left a very sharp sting behind; and when it turned out, not from any action of my hon. friend, but from the records brought before Parliament, that Sir John Macdonald had misappropriated large sums of the Secret Service funds, that he and his friends had embezzled the funds of the country through the medium of the Northern Railway—I say when they found that the consequences of their own iniquities were coming upon them, they determined to divert the attention of the people of Canada from the acts which were proven against them by their own testimony, and, as I said, they imported an element of bitterness into our relations to an extent which I, in my thirteen years of political life, or my hon. friend in his longer experience, I venture to say, never saw equalled. Now, though I have no sympathy with the sin, I have a certain amount of sympathy for the sinners, and especially for that veteran sinner, Sir John A. Macdonald, and I have no hesitation in saying that for no political object and for no gain to either party can it be a desirable thing that the chief leaders of any political party, and especially men who have held such high offices among the people of Canada as Sir John Macdonald held for many years, should be lightly held guilty of the crimes which have been laid to his charge. But I also say that if there is one thing which would be still less desirable, it would be that the people of Canada should forbear to exact a fitting punishment from those who committed such crimes when fairly proven guilty. (Hear, hear.) And if I am obliged to dwell on those things, I don't do it in any spirit of vindictiveness, but in a spirit of sincere regret that Sir John Macdonald should have so far forgotten himself—should have so far tainted his former record as to be obliged to admit out of his own mouth the things he admitted before the Public Accounts Committee in reference to

the management and disposal of the Secret Service Fund, and before the Northern Railway Investigation Committee in reference to his dealings with the Northern Railway Company. (Hear, hear.)

The Secret Service Money.

Now, with respect to the Secret Service, you are aware that Sir John received large sums at various times, which he was allowed to account for precisely as he pleased until a very late period, when a resolution was obtained that from that time forth Sir John or whoever had command of that fund should account to the Parliament of Canada for its disposal in a special way —that is to say, by keeping a book in which the payments on that account should be entered, and which should be submitted to a confidential audit by two members supporting the Government and two of the Opposition of the day. That was consented to by Sir John, with this reservation, that it should not apply to money already spent; and as he was strong enough to carry that reservation against us we were obliged to submit.

Refusal to State Disposal.

Three years after he left office, and when he had no more right to meddle with the money than any man here to-day, we found that he had actually taken $6,600 of the money which stood, not to the credit of his individual name in the Bank of Montreal, but to the credit of the Minister of Justice, whoever he might be, and had expended it for certain obligations which he alleged he had incurred, and that he utterly refused to trust my hon. friend the Premier with the smallest information as to how he had expended that sum. Now, in dealing with Sir John Macdonald, you must remember that you are dealing with no inexperienced novice, but with a constitutional lawyer, who is boasted by his party to be the best, if not the only, constitutional lawyer now sitting in the House of Commons. No man knew better than Sir John Macdonald when he drew that money that he was sinning against British constitutional principles, against British precedents, against the law of the land, against the resolution of the House of Commons. (Hear, hear.) Yet in defiance of all these restraints he drew the money, and refused my hon. friend any information, though he was asked to do so again and again in order that we might, if possible, be spared the disagreeable task of dragging his name before the public. Though he was appealed to by letter and on the floor of the House of Commons, he refused all information, and forced us to bring down the item in the Public Accounts, and to this day he has not given the first particle of information.

Uselessness of all Safeguards.

Now, I need not pursue that subject much further, for you are men of sufficient intelligence and capacity to see and understand for yourselves how utterly constitutional safeguards and all other safeguards are gone, if three years after a man leaves office and becomes a private citizen, it is a fit and right thing for him to draw this money from the Government bankers and employ it as he sees fit. (Hear, hear.) I don't say he spent it improperly, but by his own act he has discredited himself—(hear, hear)—and I can conceive of no purpose that he could have spent that money properly for which he could not trust my hon. friend sufficiently to reveal to him. (Hear, hear.) Surely the present advisers of the Crown are just as able to tell whether that money was properly spent in the public service as Sir John Macdonald; and if he complains that an unworthy suspicion is thrown upon his character, remember it is caused by his own deliberate refusal to trust his successors in office with the details of the employment of the money he has illegally possessed himself of. I am not quite sure of the total amount of this money, but to the best of my recollection $200,000 in all were placed in his hands for Secret Service, and I ask who can know or tell how that money is expended, if when questioned upon it he would not give a particle of information?

Northern Railway.

Now, as I said before, though I think that Sir John Macdonald was grossly in the wrong in regard to the Secret Service Fund; though I think he clearly and plainly violated his duty in dealing with that fund, yet that shrinks into positive insignificance when compared with that most unhappy and unfortunate state of affairs which was brought out in the investigations of the Northern Railway Committee. (Hear, hear.)

An Illustration from Nature.

Philosophers tell us that the only way we can judge of the size and extent of those buried continents which form the basis of the Atlantic and Pacific Oceans is by the small portions that remain above water in the shape of the various islands that stud these oceans; and that the existence of these islands is clearly a proof that huge mountain chains once stood where the sea rolls miles deep to-day. And surely the facts which were arrived at in the course of the Northern Railway investigations show just as clearly that there was a vast mountain of corruption, a vast amount of improper use of public money, a vast mass of impropriety festering below the surface, if only we could for once lay bare the miserable secrets of the ways and means which enabled Sir John Macdonald to enjoy his twenty years of office. Perhaps it is just as well that we should not know, and perhaps you may think these words are very strong; but if you bear in mind the circumstances of the crime; that when Sir John Macdonald, the man who took that money, or for whose benefit it was taken, permitted it to be taken he was the Minister of Justice—the Premier of this Dominion—sworn to protect the interests of this country; that that money was formally placed in trust to be administered in a particular fashion and applied to the discharge of certain specified obligations, and that the surplus was to be placed in the public treasury, and that despite the law, despite every ostensible precaution, it was used not merely for *Mail* subscriptions and for a testimonial for Sir John's benefit, but to

pay Mr. Cumberland's expenses in one county, Mr. John Beverley Robinson's in another, to help to elect Sir Francis Hincks in Renfrew, and for every conceivable purpose to which it should not have been applied—I say when you consider these facts, and remember that it was Sir John Macdonald's especial duty to see that the trusts he himself had created were faithfully carried out, you have such a glimpse of the mode in which Sir John Macdonald carried on the government of this country as fully justifies the use of the language which I have employed. (Hear, hear.) What this system would have cost you had we not interfered I shall presently show, but before doing so I wish to say a few words as to the conduct of the parties chiefly concerned in this transaction. I dislike exceedingly to have to deal severely with my political opponents. I would rather meet them on questions of public policy than discuss those iniquities, but it is our duty as free electors, as administrators of a free Government, when we see acts of this kind committed, to call things by their proper names.

Highly Respectable Receiver of Stolen Goods.

Of the three culprits—Mr. Cumberland, the Managing Director of the road, who was the immediate instrument in the embezzling, or the stealing (to speak in plain English); that highly respectable individual, Mr. Senator Macpherson, the highly respectable receiver of the stolen goods, well knowing them to be stolen; Sir John Macdonald, who wisely and judiciously, and with that acumen which he had so long practised, declined to know whence the money came, declined to have anything to do with it, but had it placed in the hands of his wife's trustees, and now does not even pretend to say that the money was honestly got, but pleads that he is unhappily too poor to make restitution—of these three I say it is a difficult matter to say which is the worst, but if there is any difference at all, I think the man who so astutely kept himself clear of the possible penalties of the law was the worst of the party. Mr. Cumberland, the manager of the railway, might plead that he at least was acting in the interest of the shareholders, and might say to them, "I did it in your interest; I was in the power of the robbers, and had to submit to what robbery they chose to inflict." You will bear in mind that this money was as much the property of the people of Canada as any item of taxes which is paid in at the Custom-houses. It was so prescribed by Act of Parliament.

Sir John's Caution.

They all knew they were taking the money of Canada except Sir John, and that good man said, "I will take the money, but I will take good care to be able to say that I know nothing about it." (Hear, hear.) I am willling to believe that a considerable portion of Sir John's testimonial fund was honestly obtained, was bestowed by people who thought that his long public service deserved that he should not be exposed to the danger of want and penury, but I say that if a testimonial is to be given to a public man at all, everything should be open and clear as the light of day—(hear, hear)—for the sake of that man's honour—for the sake of his country—for the sake of all concerned.

Their Delicacy.

And if any dare pretend that feelings of delicacy forbid mention of such matters as these, I say there is no room for delicacy here. Delicacy, forsooth! These gentlemen were not too delicate to receive stolen goods, but they were too delicate to tell from whom they had stolen them. (Hear, hear.) If there be among this multitude any Conservative gentleman of the fine old breed—(laughter)—any man who holds fast to what was once at any rate one of the leading doctrines of all true Conservatives—and I hope of all true Reformers, too—that the stainless honour of the public men of a nation should be dear to every man of that nation, then I say it is the clear duty of such a man, and of all honest supporters of Sir John Macdonald, either that they should make good the money that was thus so improperly taken from the public, or else withdraw their confidence from the man who is living on the proceeds of that theft, and apparently is not ashamed to do so.

Duty of Honest Conservatives.

Were I, as I was in time past, a supporter of Sir John Macdonald, I would mortgage my best farm to pay the money, or I would cease for ever to support Sir John Macdonald, sooner than allow a great party to be dishonoured by leaving it in the power of their opponents to say to them that their chief is actually living, actually owing his daily bread, to the proceeds of money dishonestly obtained from the people of Canada. (Hear, hear, and cheers.) I say again I am very unwilling to believe that there will be found any man within the ranks of the Conservative party who, if challenged, will deliberately say that that party is so small and poor that they will leave their chieftain—if indeed he be so poverty-stricken that he cannot make restitution—in the position of lying open to the taunt that he is living on the proceeds of money dishonestly obtained. And I say without hesitation that if you can find in any Court of Justice in this Dominion any such ground of accusation established against my hon. friend, or against any member of his Government, we should be the first to say we deserved tenfold punishment for such an offence, and I advise you not to trust us one hour or one second with the reins of power after any such charge is established against us.

Utter Demoralization.

I have dwelt on this, I admit, a little severely. I have dwelt on it because I feel it is a kind of thing which is more than anything else calculated to demoralize the whole tone of our public men, and to demoralize the public feeling of the country. If it can truthfully be said that any great political party will stand up and sustain their leader in such acts, then I ask on what ground of justice are you to send to the penitentiary or to prison the paltry criminal who has taken, not $2,500, but twenty cents from the till of some wealthy neighbour? (Hear, hear, and

cheers.) Now, bear in mind that wherever you find members of Parliament, or political leaders justifying such vile acts, or when you find men occupying high positions condescending to act as the receivers of stolen goods, depend upon it the canker is spreading deep, and a keen surgical operation is needed to restore anything like a semblance of health to the body politic.

Details of Embezzlements.

Just think for a moment of the sums which under various pretexts were wrung out of Mr. Cumberland, and the several purposes for which they were expended. First we have a sum of $2,000 for the *Mail* newspaper—and perhaps, if the whole truth were known, a great deal more, for the *Mail* is too noble an institution to be content with small pickings—besides, we are all shareholders in it—(laughter)—though I grieve to see that the property of the whole people of Canada was lately put up at auction and bought in for about as much as it got from the Northern Railway. Then I find from the precious volume I have here, containing the evidence taken before the Northern Railway Committee which sat in Parliament, at which these gentlemen had the fullest opportunity of showing their innocence, that Sir Francis Hincks was aided in his election by the sum of $1,000, for which Sir John draws on Mr. Cumberland, and which was paid out of the public funds—improperly paid out of the moneys which were applicable in payment of the Government claims. Then we have a sum of $2,500 paid to a certain testimonial, and the way in which these gentlemen charged this money is so interesting I will read it :—

New System of Double Entry.

"We find that during the latter part of 1870, or beginning of 1871, Mr. F. W. Cumberland, Hon. John Ross, and Hon. John B. Robinson, Directors of the Northern Railway Company, by previous arrangement between themselves, and without the consent or knowledge of the other Directors, subscribed to a testimonial fund to the Right Hon. Sir John A. Macdonald, the two former $1,000 each and the latter $500, and that on the 14th January, 1871, a cheque of the Northern Railway Company for $2,500 was paid to the Hon. D. L. Macpherson, Treasurer of the Fund (who called at the office of the Company therefor), which cheque was in settlement of the above-mentioned subscriptions; that this amount was charged to the Hon. D. L. Macpherson, and appeared in the books of the Company as an asset until the amalgamation of the said Company with the Northern Extension Railway, when it was, on the 30th June, 1875, charged to municipal bonuses and Government subsidies. Subsequently that amount was re-charged to the Hon. D. L. Macpherson, and so stands at present, and that these entries were made without the knowledge of the Hon. D. L. Macpherson."

Then the report states :—

A Triple Entry System.

"We find that in 1872 several sums, amounting altogether to $5,440 68, were paid out of the funds of the Northern Railway Company to defray the election expenses of the Hon. J. B. Robinson, then President of the Railway, in his contest at the general election held that year for a seat in the House of Commons for the Electoral District of Algoma, and that by direction of Mr. Cumberland this amount was charged in the books of the Company, one-third to contingencies, one-third to parliamentary expenses, and one-third to legal expenses, in instalments of one-twenty-fourth per month to each account, and that the said amount of money was improperly paid out of moneys which were applicable in payment of the Government claims."

Then we find another further sum of $1,000, which was a general contribution towards the election fund of the supporters of the Government of that day—perhaps Mr. Biggar had the benefit of some of that money in his constituency. (Laughter.) Then Mr. Cumberland had $4,166 "in payment of his election expenses as a candidate for Parliament for Algoma and Cardwell." Mr. Cumberland and Mr. J. B. Robinson appear to have been allowed a very convenient arrangement, as they overdrew their accounts in the books of the Company, all which money has not been paid to this day. Adding all those amounts, you had a sum total of $27,000 paid out of the moneys due the people of Canada for the direct benefit of Sir John Macdonald and his followers.

The Unjust Steward.

You all know the parable of the unjust steward, who told his master's debtor to write down fifty measures when they owed one hundred. This was pretty well, but as Mr. Biglow once observed—

"John B. Robinson he
Says, 'They don't know everything down in Judee;'"

and we have more than a parallel for that case in these latter days. Our unjust steward says to the debtors of Canada, "You owe us several millions of dollars, and you could very easily pay one million, but pay us $27,000 for certain special purposes and we will let you off for $500,000 of the amount you owe." (Hear, hear.) This is actually what occurred in my hearing and in the hearing of my honourable friend. They brought down a Bill to Parliament in 1873 to wipe off all our claims upon the Northern Railway for the various amounts they owed—amounting to more than $4,000,000—proposing to take the sum of $500,000, and give them a receipt in full.

Cost to Country.

Fortunately the attention of my honourable friend had been directed to the matter, and he opposed the proposal so vigorously that the Government, who at that time had the Pacific Scandal hanging over their heads, were obliged to withdraw the measure, and two years ago $580,000 in round numbers was paid into the public treasury for the worst part of the debt—for the lien which ranked subsequent to all the other encumbrances; and probably before this year is out we shall have received one million dollars over and above the sum of $27,000, in payment of the debt for which in 1873 the Government were willing to take $500,000. (Cheers.)

Cumberland's Harvest.

Mr. Cumberland knew very well what he was about. Never did husbandman sow grain to better advantage than Mr. Cumberland, if he had had his way, would have sown that $27,000. (Hear, hear, and laughter.) I don't know what the average yield is here, but unless your land

is exceptionally fertile, I think you will say that when Mr. Cumberland prepared to realize $500,000 for his Company by the judicious expenditure of $27,000, he was expecting a tolerably rich harvest. (Hear, hear.) It was about as good an investment of money as I remember to have heard of. Gentlemen, you may depend upon it that if the Ministers of State are permitted to deal with the public creditors in this fashion, and it is not remembered against them as a damning crime, for every $27,000 going improperly to the Ministers, the country will in some shape or other, whether in the guise of protecting native industry, or under the guise of a national policy, or in such easy compositions with its debtors, fiind itself forced to redeem every $27,000 so got by the loss of $500,000 or more on each and every case. (Hear, hear.)

What of Other Railway Contributions?

If one small railway could contribute $27,000—and, mind you, that is all we found out; we never will be able to get at the actual facts elsewhere, and we have no reason to believe that we got at the bottom even here—I say if one small railway of 150 miles long finds it worth its while to subscribe to testimonials to public men, to bonus newspapers, to pay election expenses, and so on to the extent of $27,000, what do you think might be done if they had the manipulation of the Grand Trunk, or the Pacific, stretching not for 150 miles, but 3,000 miles, across an unknown region? (Hear, hear.)

What Sir Hugh Allan Expected.

Consider that question, and you will know some of the reasons which induced Sir Hugh Allan and his friends to be willing to pay Sir John Macdonald $363,000, if they could by expending that money establish friendly relations with the men who voted the supplies for and controlled the expenditure upon that huge enterprise. (Hear, hear.) You may rely upon it that the thirty millions for which they falsely stated they could build the Pacific Railway would have proved but the first instalment of the sums which would have been saddled on the country, and that Sir Hugh Allan's $363,000 would have been as expensive a luxury as the $27,000 which were received from the Northern Railway would have proved, costing us, as it would have done if their measure had become law, the sum of $500,000.

How the Premier Answers Charges.

Now, it is not my part to review in detail the numerous charges that have been levelled at my honourable friend the Minister of Public Works, with reference to the purchase of steel rails and other matters, but I will just call attention to this one fact: that when one man dared to put in print the specific charge that my hon. friend had improperly given information to a friend or relative of his from which profit might be made, he at once appealed to the legal tribunals of his country, and that already the culprit has tendered an ample apology for the slander he uttered—(hear, hear, and cheers)—although for the sake of clearing his own honour and that of his colleagues my hon. friend has determined that the Courts of Law shall say, that the judges shall record, how false and malignant that slanderous assertion was.

The Late Loan.

Now, as regards one charge, more especially affecting my own department, which these gentlemen have preferred over and above those which I have already dealt with, referring to the rates at which I recently borrowed money in the English market, and to the mode which I adopted for borrowing it, I may simply say as regards that recent loan it was made on better terms than have ever before been obtained by any Canadian Finance Minister, be he who he may. (Loud cheers.) I say further, that the general net result of these operations, so badly managed, so incompetently discharged by me, has been that not only has the average rate of interest on the whole public debt of Canada been considerably lowered, but as regards that part of our debt payable in England, and with which I had especially to deal, whereas when we entered office for every $100 you borrowed you paid in round numbers $5 37, you are now paying for that $100 the sum of $4 64. (Cheers.) In other words, we have reduced the average rate upon our indebtedness very nearly 12 per cent., and I hope that, if we are not embarrassed by complications arising from causes over which we can exercise no control, before two or three years are gone I shall be able to report to you officially still further reductions. (Loud cheers.)

Two Facts.

Now, it would be utterly improper for me to weary assemblies like this by minute details as to the precise mode in which I effected the floating of this loan. But I will just call attention to two facts, to two significant and important facts, which I think will show that I would have been justly censurable by the intelligent people of this country if I had ventured to risk anything last November in such a crisis as then occurred. Speaking as Minister of Finance, as one who has a special right to speak authoritatively on this subject, I say it was utterly impossible to effect a loan earlier than I did. In fact, in last July and for several months succeeding no loan could be made, nor did a fair opportunity offer for effecting the loan until within two or three days of the time when I did effect it, when the armistice was signed between the contending powers of Servia and Turkey; and so short was the time I had to operate in that the subscription books had been closed for barely forty-eight hours before the speech of Lord Beaconsfield at the Mansion House, and the reply of the Czar at Moscow, had shown to the capitalists of Europe that in all probability a great and bloody war was impending, and I have the authority of the most experienced financiers of England for saying that had I then brought out my loan I would either have had to withdraw it, or would have received three or four per cent. at least less than I had actually received. (Hear, hear.) I felt that the condition of Europe was most perturbed, and that no man could be sure that the flames of war might not spread from one end of Europe to another. Had I put it off till after the session of Parliament,

it would have been impossible to obtain a loan, or at all events I should have have had to pay an enormous rate to secure the floating of one dollar of that loan. Only two months ago two of the very best and wealthiest corporations in England, who have peculiar facilities for raising money which Canadians do not enjoy, attempted to raise money in London, and the result was a complete failure. The security known as the Metropolitan Consols of London, which are backed by the credit of the richest city of the richest country in the known world, was one, and failed to secure tenders for more than one-half of its issue. The city of Birmingham attempted at the same time to obtain a loan by tender, but it failed completely, and it did not venture to renew the application. Two of our best colonies, Natal and one of the Australian colonies, attempted to negotiate a loan in the same way, and they also failed. I leave it, in face of these facts, to all candid men to say whether I did right in floating the loan in November instead of waiting till now ; and, secondly, in floating it in the particular way in which I did, and which secured success, instead of risking such failures as those to which I have alluded. Now, gentlemen, I am not going to detain you much longer. As I said, our object and purpose is to state our case, to set you examining the evidence, and when you have examined it, to weigh our statements with those of the men who preceded us, and then to go to the polls as free and intelligent electors ought to go, and record your votes for those men to whom in your free and independent judgment you may most safely trust the destinies of the country. I will say a few words with regard to the fiscal policy, knowing that this country is in a state of considerable depression arising from causes over which we can exercise no control—a depression which we could not foresee, and which has been unexampled in our history. I say that it will be our duty to impose no taxes upon the people of this country unless we are called upon to do so by imperative necessity. (Hear, hear.)

Taxes Imposed.

And when last year I felt it my duty to impose a small additional tax—a tax which has been objected to, I know—I took exceeding good care that by the remission we made in the duty on coal oil we should return to the pockets of the people, and eminently to the poorer classes, a sum exceeding two, and perhaps three or fourfold the sum we took out of their pockets. It is quite true that we were obliged to impose a tax of some five hundred thousand dollars additional—a sum of two cents per pound on the article of tea—a tax which amounted to something like twenty-five or thirty cents per family ; but while we did this, we took off a tax of something like nine cents per gallon on the entire quantity of coal oil consumed in this country ; and I put it to you how many of you have found your tea dearer since that tax was imposed, and I also put it to you if you have not all found your coal oil decidedly cheaper since that change in the tariff? (Hear, hear.)

Taxes Remitted.

Sir, I don't want to exaggerate, but I am told that in one way with another about eight millions of gallons of coal oil are now consumed in Canada. I am told further, that although it is true that we only reduced our taxes about nine cents per gallon, the result was to break up all the rings and monopolies which had been formed and which controlled the market, and to give you the benefit and more than the benefit of that reduction, and that from that day to this the price has been at least twenty-five cents less than it has been on the average during the last two years. I don't make this statement on my own authority, but on the authority of men well conversant with the trade ; and if it be true, then the result of our extravagance and incompetence is that when we put on a tax of $500,000, we at the same time made a reduction which put two millions of dollars into the pockets of the people of Canada. (Cheers.) I don't mean to say that it is desirable for the Government of a great country to allow their own theories of political economy to interfere too much with existing institutions or vested rights, but I call your attention to this. I admit frankly and freely that, so far as my own individual opinion goes, I have always believed that all taxes were a necessary evil—(hear, hear)—that the best thing we could do was to reduce your taxes, as I propose to do whenever I can get the chance.

Folly of Protection.

I also admit that, so long as we are obliged by the necessities of our position to raise a large revenue, we must have a revenue tariff, and therefore that this tariff in some way or other, whether you call it incidental protection or something else, must accrue to the benefit of our manufacturers ; and I would just point out that Sir John Macdonald and Dr. Tupper and those who join with them in saying that protection is the one and only cure for the prevailing distress, never raised their little finger to do anything for the cause which they now profess to have so much at heart; and if for a moment they tried such a fiscal system, and attempted to found a "national policy," they trampled on their policy before the infant was a year old, and buried it ignominiously in the short interval between the speech of Sir Francis Hincks and the attack made after dinner by some of his quondam supporters. That is the way they have done in the past, and that is the way they would do again. In a community where there is such a diversity of interests as in ours, you must consider not what is good for one interest, or one class, or one Province, but how every measure will affect the whole of this great Dominion, and for this reason it is utterly impossible for these men to carry out the theories which they now profess. If they attempted to do such a thing, they would array in one solid phalanx all our rural population throughout the Dominion, and the whole of the Maritime Provinces as one man, against any Government which would attempt to tax them for the benefit of a few manufacturers scattered throughout the older Provinces. I must apologize to you for having so long trespassed on your patience, and I will now leave to Mr. Mackenzie the task of meeting such charges as have been specially levelled against him. (Loud and long-continued applause.)

EXTRACTS FROM THE PREMIER'S SPEECH.

Pacific Railway.

* * * * In the meantime we took the ground that the first thing to be done was to open up a highway to these north-west territories through our own land. We were obliged, as it is now, to send all our own emigrants through the United States ; and I saw that until we got a large population to inhabit these steppes and prairies we could not hope to have great success in building the railway, and we at once pushed the surveys in that direction. As soon as we had any portion of the line surveyed we let out the contracts with the sanction of Parliament. I might say, however, that the Opposition did not oppose a single one of these contracts. In the meantime we also established a telegraph line across the continent, building that line on the direct route where the railway was to be built, and as fast as the survey went forward the telegraph line and the operator went with the surveyor. We have now our telegraph system very nearly established to the foot of the Rocky Mountains, while in places where there are woods the woods are cleared to the width of two chains. We have 228 miles between Thunder Bay to Red River under contract, and under our wise system of contract we are building these 228 miles of railway in a country where no white inhabitant ever lived, where only the foot of the Indian and the trapper ever trod, for a little less than one-half of what the late Government built the Intercolonial. (Cheers.) Under the Carnarvon Terms we were bound to build a road as soon as possible between Nanaimo and Esquimalt, a distance of about 70 miles in round numbers. We have these 420 miles from Lake Superior to Red River, and about 100 miles of Pembina Branch to connect with the United States line. We have already graded in the Red River district about 120 miles, furnished and ready for the rails; we have the rails laid on the roadbed about ready for nearly 60 miles west of Lake Superior.

Responsibility of the Chief Engineer and the Minister.

I pointed out at one of these meetings that when we do act in these matters on the advice of Mr. Fleming or Mr. Page, or some other engineer, they find fault and say that we shelter ourselves behind the backs of our engineers ; whereas, if we happen, in questions which are not of a strictly technical or professional character, to act upon our own responsibility they complain because we do not follow the advice of our engineers. You see it is utterly impossible to suit them. (Hear, hear.) I might say here for your information, that I have invariably, in all matters requiring a scientific or professional knowledge, acted on the opinion of the Chief Engineer of my Department. I have looked on myself as the political head of the Department. They are really responsible to the public through me, and if I find a Chief Engineer giving me wrong advice, then I will be held to acconnt if I do not dismiss him or deal with him in some other way. Mr. Fleming went to the Old Country lately. He has been engaged uninterruptedly for thirteen years on the Intercolonial and Pacific Railways. The great responsibility and the enormous amount of labour have reduced his physical system so much that he felt it absolutely necessary to get leave of absence in order to go to England for a few months.

Specimen of Tory Malignity.

The very moment that he put his foot on board, the Toronto *Mail* and the Halifax *Herald*, papers owned and controlled by Sir John Macdonald and Dr. Tupper respectively, immediately insinuate that he left the country because he found it impossible to get on with Mr. Mackenzie. They knew that a few weeks must elapse before the lie could be contradicted, and they thought that possibly this particular patch of mud of the many which they throw would stick so fast in some place that it could not be scraped off before the general election. So all the Tory papers from one end of the Dominion to the other announced what a dreadful fellow that Mackenzie was. There was Mr. Fleming, the first man in Canada in his profession, who had accomplished such marvels of engineering on the Intercolonial, who had conducted (so far as he was allowed to do so) the operations on the Pacific Railway with such great success—here was a man like Mr. Fleming interfered with by Mr. Mackenzie, and he had to go to the Old Country to get rid of the intolerable burden of being under him. I read a letter from Mr. Fleming the other day in which he complains of this misrepresentation, states that he was never interfered with, that he never had a difference of opinion, and that he was far more interfered with by the previous Administration. (Hear, hear, and cheers.) I don't expect these people to print Mr. Fleming's letter. I have no idea of receiving anything like fair play from them, either for myself or my Administration. It is by such means as these that they hope to carry the conviction to the hearts of the people of Canada, that they and they alone are fitted to govern this country.

Farmers and Protection.

The question may be asked why we send grain to the United States, if they have enough. It is because of some local wants. They may require, for instance, to buy our wheat for seed, and we may want some of theirs for similar purposes. We buy their grain as a rule for the purpose of exporting to Europe, and they buy some of ours to mix with theirs for flouring purposes. They buy their peas and barley because we can grow these grains to greater advantage than they can. A trade is thus kept up between us. Now, during the time we had a duty on grain, we realized about $100,000 in the course of a year and a quarter, and the next year had the duty been continued we would not have realized a cent. The manufacturers, finding that they are not of themselves strong enough to force us into imposing a 20 or 25 per cent. duty, go to the farmers and hope to get them to join them by telling them that if they had a duty on their products

they would get higher prices. There never was a greater delusion. (Hear, hear.) If you go to the Western States you will find the people paying nearly 50 per cent. more for agricultural machines than you are—at all events they were some short time ago—as well as for their boots and shoes and other manufactured articles. The result of a thorough protective system in the United States has been to almost ruin their foreign trade and throw that trade into British vessels. Their country is less prosperous than our own at this moment; the wages of their mechanics and labouring men are less; and the prices of commodities which they have to buy are higher. The matter may be summed up by saying that the more highly protected a country is, the worse off and the less prosperous it will become. You cannot protect one class of the community without doing an injustice to the other. If you protect all alike, you are just so much the worse off by the cost of doing it. (Hear, hear.) Now, I feel that a Minister of the Crown, in coming before an intelligent audience like this, should endeavour to devote some time to subjects of general interest to the whole country at large. I have felt it impossible, however, to adopt the plan of discussing the subjects which we may yet have to legislate upon, because much time had to be taken up in disposing of the insinuations made against us by our opponents, and because I believed it was better that we should meet the electors face to face and discuss thoroughly those matters upon which some blame was sought to be cast upon us. But there are many subjects of great interest yet to be legislated upon. Sir John Macdonald and Dr. Tupper say they have dealt with very few matters in the way of legislation.

General Legislation.

I should like these gentlemen to point out some measures upon which we failed to legislate which we advocated as proper subjects for legislation while we were in Opposition. We have attended to every measure which we proposed to attend to when we came into office; we have prepared a thorough Election Law, and a complete Extradition Act; we have put the Controverted Elections Law in proper shape, and so on through a score or two of other important public measures.

The Temperance Question.

I have observed that some measures are still asked for by the public. One of these has reference to a question which relates very much to our social system, to the advancement of the morals of our people, and to the restriction and prevention of a system of degradation which has spread to a vast extent an innumerable train of evils through the country. In a land of peace and plenty like ours there must be some governing cause for the destitution which is so prevalent in some places, the demoralization in others, and for the insanity, which appears to be increasing to such an extent in others. All our asylums are full, our prisons and penitentiaries are overflowing, and there has been for many years a growing sentiment in the country that the cure for all these evils to a great extent must rest in limiting if not in destroying the sale of alcoholic liquors. (Hear, hear, and loud cheers.) So far as I am concerned, I recollect very well, exactly thirty years ago, that I published my first address to the people in my own locality in the shape of a report from a Temperance Society in favour of the principle of prohibition, as one which is justified by all the claims that the people have on legislation by their rulers; and from that day to this I have never ceased to believe in the absolute right of the people to enter on a course of legislation which would have that effect. (Loud cheers.) At the same time, I have always taken the ground that until public sentiment had reached such an advanced stage of maturity that we would be quite certain of a very large majority in favour of such a measure, it would be unwise and impolitic to attempt to enforce a total prohibition of the traffic. Whether that time has now come or not, rests with the electorate of the country to say. Some years before Confederation, a Bill, such as is called in England a Permissive Liquor Bill, was passed by the late Parliament of Canada, which put it in the hands of the people to determine in their respective localities whether they would prevent the licensing of houses for the sale of liquors. A vote has been taken on that measure in many counties in Canada during the last twelve months. In some cases it has been defeated; in others it has been carried, sometimes by small and sometimes by large majorities, but in every instance it is quite apparent that the agitation in the direction of prohibition has acquired considerable strength. I was greatly amused last session to find that some prominent gentlemen on the Opposition side of the House were willing to vote that the Government of the Dominion should legislate on this subject. Sir John Macdonald voted for it, and I have no doubt he delivered a speech when he was here strongly in favour of it. (Loud laughter.) I must assume that he did, because he declared by his vote last session that we should have some legislation on the subject, and I know he is too honourable a man to ask us to do what he would not be prepared to do himself. (Hear, hear, and laughter.) I have not the least doubt that if you ever have a contest on the temperance question pending in this county, the cause of prohibition or restriction will derive additional strength from Sir John's having so ably advocated it here last year. (Renewed laughter.) There was one amusing incident occurred in the House last session with regard to this question. Mr. Appleby, member for Carleton, N.B., a clever young lawyer and a strong temperance man, got up immediately after Sir John Macdonald had made his speech, and said: "Will the hon. member for Kingston bind himself, in Parliament and out of it, to advocate the enactment of a Prohibitory Liquor Law? If he will get up in his place at this moment and say he will, I pledge him my support, notwithstanding our political differences." Up to the present moment Sir John has not, I believe, made any response to that question. (Hear, hear, and laughter.) If he has, I have not heard of it; but you may ask him the next time he comes here to deliver a speech. (Hear, hear.) The motion in the House to which I have referred was set aside by an amendment moved by Mr. G. W. Ross, one of my supporters in the House, the representative of West Mid-

dlesex, a constituency adjoining my own, and one of the ablest and most effective advocates of temperance in Canada. (Hear, hear, and cheers.) His amendment was to the effect that until the Courts had decided where the jurisdiction lay in such matters, it was inexpedient to pass such a vote. Every one in the House knew that the question was then before the Supreme Court to decide whether it was the Local Legislatures or the House of Commons which had the right to legislate on the subject of the trade in alcoholic liquors. If the Premier of Ontario finds that the decision of the Court is that the jurisdiction lies within his Province to deal with the matter, he will doubtless deal with it in accordance with the expressed wishes of the people. If it comes within the province of myself and my colleagues we shall be equally bound and equally glad to give effect to the popular will in the matter. My impression at present is that in whichever of the two Legislatures the jurisdiction may ultimately be found to lie, legislation in the first place should be in the direction of making your Permissive Bill better adapted for its purposes than it seems to be at present—(hear, hear, and loud cheers)—and whenever the country seems to be ready for further advances in that matter, no doubt the Legislature of the time, and the Ministry of the time, will prove themselves equal to the occasion. (Cheers.) It is a serious thing for a Minister to pronounce dogmatically at this stage of the temperance question what shape legislation may take in the course of a few years; but I can say this much, that my colleagues and I take the deepest interest in the matter, and shall endeavour to do in this, as in other matters that come under our review, what is best in the interests of the people. (Hear, hear, and cheers.) I do say that I never shall resort for my own sake, or for the sake of my party, to anything that I cannot defend and produce to the public in the full light of day. (Loud cheers.) I am glad to know that I belong to a party who would not permit me to do so if I were ever so disposed; that none of those who are associated with me in Parliament would go one step with me in the path of wrong-doing. (Cheers.) It is that spirit in our ranks, that *esprit de corps* in the Liberal party, which gives us our strength and our cohesion.

Sir John's Attempts to Divide Liberals.

Sir John Macdonald tells us that many Reformers have come to him to ask his adviee, and have proffered their assistance at the coming election. I would just like him to trot them out. (Hear, hear, and laughter.) I have failed to come across or hear of one of that class. I do know, however, that one of the means which the Conservative leaders have always laid great stress upon to help their party is to endeavour to introduce the wedge of division between the Liberal party and their leaders. They are always getting up the cry that we are divided. Ours is a party that must always be progressive. (Hear, hear.)

Liberals must be Progressive.

We are no Liberal party if we say that we have done all that can be done, for reform will never cease so long as this world is peopled by sinners, and controlled as it is sometimes by sordid motives. It rests with the Liberal party not merely to initiate such legislation as the party as a whole demands, but it rests with individual members of that party to give their special consideration to such particular views as they may hold; and our real danger is not in advocating, as individuals, measures which the party as a whole has not yet learned to value and respect, but in pursuing our hobbies so far that we detach ourselves from the main body on the march, and so expose our flank to the enemy's fire. Let us as Liberals combine together; let us at such meetings as this discuss the public measures that may be or should be introduced, and the policy that ought to be followed. If we cannot carry all the particular measures we want, let us carry such as we can carry, going on step by step and keeping together.

Divisions Fatal.

But as soon as we open our ranks and divide into sections, the enemy will pour in his fire and accomplish the destruction of our party. (Hear, hear.) I ask any Conservative to name a single measure of Reform which that party initiated.

No Remedial Measure Ever Proposed by Tory Party.

I ask them to name a single great reform which they did not oppose, until they found that the Liberal party were going to carry it over their heads, and then they turned round and voted for such portions of these measures as they thought they might vote for without harm to themselves. Their real aim and their object is to oppose all reform; to stand still; to keep what they have; to allow no innovation, no reform. They used to consider the word "reform" as synonymous with "license," and regard every new measure as a mischievous innovation; and we used to have to fight our way as Liberals step by step in this new country, where every man has a hold on the soil, until at last they were compelled to give the franchise to almost every man in the community. Such has been their policy; it is their nature and belongs to them; it is the part they have to play in the body politic. They are like an enemy behind a citadel of error and darkness, and when the invading army of Reformers have crossed the trenches and forced a passage to the heart of the citadel, they are amazed to find that the whole garrison have deserted their works and are fighting on the other side. (Hear, hear.)

A Great Country to Govern.

We have a great country to govern, and we have no doubt great measures to deal with in the near future. We have half a continent in the Far West under our control, to be filled up with industrious people. Few countries have a more magnificent destiny before them than have the people of Canada. We have to vindicate the rights of the people of British origin, owning allegiance to Britain's Queen, and believing our system of responsible government is more democratical, more like true liberty, than the boasted Republicanism of the United States. We have

it in our mission to vindicate that system of government; to carry it over the whole of this continent, and carry with it as we will, as we have in the prairies of the Far West, equal rights and ample justice even to the red aborigines of the country of which we have taken possession. (Cheers.)

Measures and Policy the Gauge of Party Life.

Let us not falter under these circumstances; let us not waste our whole time in seeing whether Sir John Macdonald is the worst man living, or Alexander Mackenzie the wickedest on the face of the earth; let us devote ourselves to principles; let us defend policies. If our policy is not right, let our Conservative friends announce a clear and definite policy; let them disown their old leaders and disavow their acts; let them adopt some name by which we may know them, and if their policy is the best by all means adopt it, and let me and my colleagues go. This country is large enough and its people intelligent enough to furnish men capable of governing the country if both the Government and the Opposition were swept from their places. But if you consider that we have to the best of our power, and with a fair measure of success, carried out a policy which you have already stamped with your approval, all I can say is that we shall continue to devote our earnest and careful attention to the promotion of the interest of the farming community, which is a large and important one in this country, as well as of all the other classes that go to make up our population. We may look forward to such a measure of prosperity as will at once settle up our waste regions, people our older counties more fully, and give life and energy to our manufactures and all branches of our foreign trade.

Our Governmental System to be Vindicated.

To these things we ought to devote ourselves with increasing assiduity, and I have no doubt that we shall be able at once to vindicate our system of government on this continent and to pursue uninterruptedly the career of progress that is before us, showing to the world that our political system is one that ensures the perfect and equal prosperity of all classes of Her Majesty's subjects. (Cheers.) In conclusion, I would say to the electors of Northumberland, Don't be led astray by any specious cries when the general elections come on. Don't believe any man who tells you that any Government can make any particular class prosperous without injury to some other class in the community. You may depend upon it that any one advocating such a doctrine knows he is propounding a policy which he knows will be emphatically disavowed, and it will afford you little consolation to find that you have been defeated by your own credulity, and defeated to no purpose. (Hear, hear.) I thank you sincerely for your kindness to me, and I hope that when the time comes you will continue your kindness by returning to Parliament the gentlemen who now so well represent your county in the House of Commons. (Loud and continued applause.)

SECOND SERIES OF DEMONSTRATIONS.

The second series of Reform Demonstrations for the season was, if possible, even more successful than the first. At all of them the attendance was large, the speeches delivered—only some of which, and extracts from others, space permits to give—were received with marked approbation, and the other evidences of popular approval of and unimpaired confidence in the two Reform Governments, their policies and their leaders were alike numerous and unmistakable.

ORANGEVILLE, SEPTEMBER 18th.

The first Demonstration was held at Orangeville, County of Cardwell, on Tuesday, September 18th ; and despite the extremely Conservative surroundings, the assemblage numbered from four to five thousand. After being escorted by a large procession to the Agricultural Hall, the Hon. Mr. Mackenzie was presented with an Address on behalf of the Reformers of Dufferin, Cardwell, and Eastern Wellington, by the Chairman, Mr. Joseph Pattullo, Mayor of Orangeville, and the Secretary, Mr. F. Munro. A similar Address was presented to the Hon. O. Mowat, on behalf of the Dufferin Reform Association, by its President, Major Parsons, and Secretary, Mr. George Dodds. Both Addresses having been replied to, speeches were subsequently delivered by Col. Higginbotham, M.P., Hon. Mr. Mackenzie, Hon. Mr. Huntington, Hon. Mr. Mowat, and D. Guthrie, M.P.

EXTRACTS FROM THE PREMIER'S SPEECH.

A Personal Charge Replied to.

* * * * Sir John Macdonald has ventured within the past few days to speak in a somewhat personal manner of an offence alleged against myself. He told the people of Amherstburg that when I went to England in 1875, I went there for recreation, but that you had to pay the expenses of the journey ; and another gentleman, Mr. W. H. Gibbs, stated that as my wife accompanied me, I must have paid her expenses also. (Laughter.) This is the style of speaking indulged in by these gentlemen, who call themselves the leading statesmen of this country, and I sincerely condole with the Conservative gentlemen present who are induced to follow through Coventry such leaders as these. But, sir, it might be worth while, as Sir John Macdonald has questioned this matter, to tell you the real state of the case. I endeavour invariably to avoid doing anything that would be personally offensive to my political opponents. I respect Conservative opinions when I know they are honestly held. I respect a Conservative leader who tries to give effect to those opinions by legislation, and who tries to argue Liberals into a belief in Conservative principles. But, sir, when any person occupying the position of leader of the Conservative party travels outside of the record, as Sir John does in this instance, I think it but fair that I should show the contrast between the travelling expenses of his Administration and those of the present Administration.

Travelling Expenses under Late and Present Government Compared.

In 1868 one of them visited England ; another in 1868-9 ; two others in 1869-70 ; another in 1871, and another in 1873-4. These five visits to England are shown by the Public Accounts to have cost $20,040 80, or an average of $4,008 16 per visit. Under the new *regime* there have been four visits to England, at an entire cost of $5,461 72, or an average of $1,820 per visit. (Cheers.) You can see from the evidence who has been burdening the country by visiting England. Besides, I was not visiting England on private affairs. I had none to attend to there. My health was as good then as it is now ; and I may say to them that I feel perfect confidence that my health will be quite strong enough for a good many campaigns in the future. (Cheers and laughter.) I went to England on public affairs, and neither my wife nor any one else connected with me ever touched a dollar of the public money. (Hear, hear, and cheers.) These gentlemen will perhaps give an account of their own expenses when they next visit Orangeville, and I hope you will ask them to explain these figures. It is their funeral—not mine.

Other Expenditures of Late and Present Government Contrasted.

* * * * But I must pass on to other topics, and I shall first refer to some statements made at the Conservative gatherings regarding the increase of taxation by the present Administration. It has been stated that some of those increases in the public expenditure were such as we could very easily control. Now, I will read you from official papers what the expenditure has been for the Civil Service of the Government—

that is, for the offices connected with the Government Departments and the outside services of Customs and Excise. Take Civil Government first:—In the year 1873-4 (the last year of the late Government) it cost $883,685 53 to pay those salaries. In our first year, 1874-5, it rose to $909,265 73. You know that my opponents have always claimed that they were not responsible for the year 1873-4. Although they were the governing party — although they introduced the estimates and provided the works for which the money was to be spent, yet, because they went out of office rather suddenly, when that little unpleasantness arose about the Pacific Railway in November, 1873, they claim that they are not responsible for that year. We say they are wholly responsible, unless, indeed, it be the item for a general election in January, 1874—an expenditure which I am sure all my Reform friends will consider to have been a perfectly justifiable and very necessary one. (Hear, hear, and cheers.) It will be seen from the figures I have given that our expenditure was about $25,000 higher the next year. That increase we are bound to explain, and I am prepared to explain it. In the first place, the late Government before going out of office made some large increases to the salaries or bounties, and made many appointments in view of their early retirement from office, many of which were wholly unnecessary in the public service—many of which were cancelled at a later date.

Summary of Officials Appointed by an Expiring Government.

Let me read you a short summary of what had been done in this way from January 1st, 1873, to the date of their final departure from office, viz., the 7th of November of that year. They appointed during that time 629 officials, having salaries of $322,943. (Hear, hear.) They increased the salaries of 1,381 officials by an aggregate of $152,350 47. Amongst the other engagements for which they are responsible was one which gave an increase of $50, after a certain period of service, to all the clerks in the Civil Service of the Government. The increase under their own Act during this year, by the statutory increases of $50, amounted in round numbers to $14,000. Then there were some creations of office in connection with the Presidency of the Council, amounting to $3,857 51. There was paid in that year, for new appointments made by our predecessors in 1873-4, a sum of $21,618 80. The total amount paid under these heads, and included in the sum of $909,265 73, was $39,676 31.

Saving Effected in Contingencies and Salaries.

Then, sir, we saved in contingencies during that year the sum of $14,096 11, which makes up the difference between the total amount of $39,676 31 and the apparent increase of $25,580 20 of 1874-5 over their last year, 1873-4. So that an apparent increase of salaries by us turns out to be a real decrease of $14,096 11 from their last year, as you will see by a consideration of these figures. Then in 1875-6 we decreased the expenditure to $841,905 39, or $42,000 less for these salaries than during the last year of the late Administration. (Loud cheers.) These figures are obtained from official sources, and are certified by the proper officers of the Department. We are really carrying on a vastly increased system, while we are expending less money than was required to perform a much smaller amount of work during their last year of office. (Loud cheers.)

EXTRACTS FROM HON. MR. HUNTINGTON'S SPEECH.

* * * * But there was one gentleman who took a prominent part at these Conservative pic-nics of whom he wished to say a word or two; he referred to Mr. William Macdougall. (Laughter, and cries of "Wandering Willie.") There were probably some respects in which Mr. William Macdougall was like a great man, but there were others in which the likeness was not so clearly marked. (Hear, hear, and laughter.) During the reforms which had followed the administration of Lord Eldon in England, the Radicals had got rather aroused, and had held meetings at which the speeches were somewhat exciting and the cheers very vociferous. On one of those occasions Lord Eldon was noticed going out at the back of the building, and one in the meeting shouted, "There goes Old Eldon; let's give him a cheer, for he never ratted." Whatever cheers might be given to Mr. William Macdougall, that gentleman was not likely to be cheered for the same reason as Lord Eldon. (Hear, hear, and laughter.)

Mr. Huntington and Annexation.

He (Mr. Huntington) had known Mr. Macdougall many years ago, and he observed that he had stated at a recent meeting that he knew him to be a pronounced annexationist for years. He (Mr. Huntington) did not know whether his audience cared whether he had been an annexationist or not, but he would just say that he had never spoken or written a word in favour of annexation in his whole life—(loud cheers)—and had probably pronounced more speeches—relatively to the public life he had led—in opposition to that view than on any other subject. (Cheers.) These facts Mr. William Macdougall knew, but it seemed to be fashionable to call him an annexationist, and Mr. Macdougall was not the first to call him falsely by that name. There never was the slightest justification for the cry; and he challenged any man here or elsewhere to prove that, directly or indirectly, he had defended the annexation of this country to the United States. He was no enemy of that country; he believed it to be a great country, and to be solving problems based on British law and constitutional freedom in a way of which the world would yet be proud. But he believed at the same time that they lacked the constitutional freedom which Canada enjoyed; that we were free from the dangers of a too large immigration from which they suffered; and that our system was freer and better adapted to develop our

individuality than was the American system. (Hear, hear, and cheers.) In consequence of these things, he believed we were building up successfully a better Parliamentary system than they enjoyed. He had long believed that it was better that each nation should work out its own system; and when Mr. Macdougall accused him of favouring annexation, he made a charge which was belied by all his public utterances on the subject.

Opposition Anxious to Create Divisions and Prejudices.

There was a disposition among these people to create disabilities against the public men of the country by constantly thundering against them, and he himself had not escaped their malignity. It always afforded him pleasure to express views which he considered beneficial in a patriotic sense, but his statements had been grossly misrepresented. Sometimes he was represented as an ultra Protestant, sometimes as an ultra Catholic; sometimes as following one game, and sometimes another. His idea of politics was perfect and complete equality. He had never made any declarations, either in public or in private, which were inconsistent with political and religious liberty for all classes of people. He represented a county in which dwelt Protestants and Catholics, both of whom supported him as a man having a patriotic desire to promote the interests of the country without pressure from one church or another. (Hear, hear, and cheers.) It would be well, he thought, if all the people of this country were imbued with that desire. Let there be a united struggle to perform those duties which were higher than party principles. Let our children be taught the doctrine of toleration in all things. Let them be taught that their duty as Canadian citizens would be to look to the future of this country on a broad basis, that everybody might be rendered better as the country should grow older. (Loud cheers.)

BRAMPTON, SEPTEMBER 19th.

The Brampton Demonstration was one of the finest of the series, and much the largest and most successful political gathering ever held in the County of Peel. The Premier and Postmaster-General were met at Charleston, *en route* from Orangeville, by Robt. Smith, M.P.; James Fleming, Esq., President County of Peel Reform Association; Dr. Pattullo, R. Dick, and others, and thence escorted in carriages *via* the Caledon Mountains to Brampton, the procession having been meanwhile augmented until it extended about four miles in length. At Claude an Address was read to the Premier by Dr. Robinson, on behalf of the Reformers of the village and locality; and at Brampton another was presented by the President, Mr. Fleming, for the County Reform Association. A similar Address was also presented to Hon. Mr. Mowat. Besides the speakers —the Hon. Mr. Huntington, Hon. Mr. Mowat, and Hon Mr. Mackenzie—the following members of Parliament and of the Assembly were present:—A. H. Dymond, M.P., W. McCraney, M.P., Robert Smith, M.P., R. Chisholm, M.P.P., W. D. Lyon, M.P.P., and J. H. Hunter, M.P.P. The attendance was estimated at from ten to twelve thousand.

EXTRACTS FROM HON. MR. MACKENZIE'S SPEECH.

Mistake in Locating the Intercolonial Railway Route.

* * * * Now, I may tell you that under the management of the late Administration the Intercolonial Railway was built in the wrong place. It should have ascended the valley of the St. John River, and crossed the country from that river to Riviere du Loup; but it was built by the base of the Gaspe Peninsula, the Bay of Chaleur, and on to Moncton, thus involving an additional expense to reach the same objective point of eight or ten millions of dollars—some say twelve millions. This was done in spite of the opposition from Ontario; and at that time we pointed out not merely that it was the wrong route, but that by crossing the estuaries of so many rivers it would be necessarily much more expensive. It cost as nearly as may be $48,000 per mile to build that railway, though there were the greatest facilities for landing rails and other materials all the way from Riviere du Loup to Ste. Flavie, again at the Restigouche, the Nepisiguit, the Miramichi, and so on by Shediac and Pictou.

Pacific Railway being Built at Half the Cost of Intercolonial.

Now, the 228 miles of the Pacific Railway, beginning at Thunder Bay, now under contract, we are building with as good a road bed as the Intercolonial, only our bridges are of wood instead of iron. We have a great many of the famous steel rails there, and they are the best ever made—better even than those on the Intercolonial, and they were good. We have 228 miles under contract, and forty or fifty miles of that distance is over an extremely difficult country. We have one tunnel seven or eight hundred yards long through a very hard rock; and the road costs us, under our wise and economical system of contracts, including an ample allowance for rolling stock, $24,535 per mile, or about one-half of the cost of the Intercolonial. (Loud cheers.)

Purchase of Intercolonial Supplies by Late Government.

* * * * You will remember, no doubt, that I caused an investigation to be made into the working of the Intercolonial Railway shortly after I came into office.

Free Passes for Everybody—A Carnival of Corruption.

I found the expenses of working that railway to be enormous; I found that **almost everybody** that pleased, if he had influence, got free passes on that railway; I found that materials were bought at fabulous prices from men who were political friends of the Government; and I found that the working of the road, which at that time extended only from St. John to Halifax, and from Truro to Pictou, cost a great deal more money than was necessary.

Contrast of Running Expenditure.

During the year ending 30th June, 1874, the cost of working that road was $1,025,830 83. Under my first year, ending 30th June, 1875, when there was more work to be done, the entire cost was $850,777—or, in other words, I saved $170,000 in one year in working that railway. (Hear, hear.) The next year—that ending 30th June, 1876—when I had over 200 miles more in operation, the entire cost of working the road was $943,854, still about $80,000 under what it cost to work 200 miles less railway before I came into office. I give that as an example.

Late Government's Dealings with Political Friends.

Now I will give you some information which will show what caused that extraordinary expenditure. There was a firm in Halifax dealing in hardware called Fraser, Reynolds & Co. Mr. Alpin Grant, a member of that firm, appeared before a Committee of the House of Commons and stated:—"I was not connected with the hardware trade previous to joining Mr. Fraser. For twenty-six years I was proprietor and editor of the *British Colonist*, and I was Queen's Printer twice during the Conservative Administration. * * * * When I commenced business I made application for the Railway business. * * * I based my application to him (the Superintendent) on the ground of my political position, not at all on account of my acquaintance with the hardware business. * * * Mr. Fraser contributed to the election in Halifax. I urged on them (my partners) doing all they could at that time. I think they were a good deal influenced by me in this. I think Mr. Fraser contributed before he became my partner, but not to any important extent. I took an active part in all the elections down there, and would know pretty nearly how much each man gave. * * * We contributed pretty well all round to the elections."

No Tenders Invited—False Invoices.

You will find that from January, 1872, to this political firm's end in 1873, they supplied goods to the Government to the amount of $83,217 05, nearly all of which they succeeded in having entered at the Custom House free of duty, and they charged the full market price. No tender was ever invited. To remonstrances made by the general storekeeper that the prices were excessive, the reply was that "Fraser & Reynolds are not to be criticized," and they were given to understand that no complaint was to be made when Fraser & Reynolds did overcharge. This was the evidence given by Saddler, one of the storekeepers on the road. Comparing these with the prices paid by the Grand Trunk Company for similar goods furnished to them, and also the prices charged for similar articles by a very respectable firm in Montreal—Morland, Watson & Co., respectable Conservative business men—it is found that the charges of the Halifax firm in that very year were $18,413 78, and to this we have to add an average duty of 10 per cent., which would have amounted to $7,000. When the prices in the invoices of the firm, which were produced before the Committee, were compared with the prices charged, the profits were found to be from 46 to 140 per cent. These goods were delivered immediately, and mostly in bulk, from the Custom House, the transaction being thus made wholesale in its character, while the prices charged were avowedly retail prices.

Some of the Details—Enormous Profits.

Now, let me give you a few details. In that year there there was one principal invoice of bar iron which cost $2 28 per hundred weight, and they charged the Government $3 65 for it, making it cost about 8½ cents per pound, or reaping 69 1-10 per cent. profit. During the same month that this was bought they charged the Government for bar iron at the rate of 4¼, 5¼, 5½, and even 6 cents per pound, when the retail price in Halifax for the same kind of iron was 3 cents per pound. The profits on this iron were enormous, averaging 71⅓, 75, 83⅓, and 100 per cent. In March they laid down bar iron at 2¾ cents per pound, and the following month the Government paid 4¾ to 6½ for the same article. In May an invoice of spikes, bolts, and nuts cost $1,122 66, while the Government was charged $2,295 88, or considerably more than double. In the same month they supplied some brass tubes, the invoice value of which was $2,219 81, for which they charged the Government $4,895 50, or 120 per cent. profit. In May they paid a little over three cents per pound for iron, and charged the Government from 4½ to 6 cents. For plates and bars they paid $753, and charged the Government $1,189 26, or an advance of 59.80 per cent. They paid 32 cents per gallon for coal oil, and charged the Government 60 cents. For another kind they paid 62 cents, and charged the Government 97½c. In September they charged the Government $287 65 for locomotive plate, for which they paid $121 50, or a profit of 137 per cent. In November they paid 58 cents per gallon for lard oil, and charged the Government 92½ cents. In same month the Government was charged $1,442 91 for engine axles, which cost the firm $860. Not to weary you with any more details, I will give you one more transaction from the long list which I intended to read had time permitted. One of their last transactions before the Government fell was the purchase of car springs from this political firm. They charged the sum of $4,533 33, or 21 cents per pound, on a quantity of car springs, the springs really costing them only ten cents per pound, so that they paid in all only $2,138, thereby making a profit of $2,415 on that one transaction. We purchase our supplies of these articles by tender. We get

bar iron for less than two cents per pound ; cast iron from 1½ to 2⅝ cents per pound. We are receiving at this moment for $6 70 car springs for which the late Government paid $21 50. On the first contract for car springs, immediately after we came into office, we paid nine cents per pound, while they had been paying twenty-one cents to this firm (Hear, hear.)

The Advantages of Publishing a Conservative Newspaper.

You will please bear in mind that this firm were the publishers of a Conservative newspaper. They tell us themselves that they contributed liberally towards paying the expenses of the Tory party at elections and for political objects. (Hear, hear.) The truth is, however, that we—the public of Canada—contributed that money, and not they ; it all came out of our pockets. (Hear, hear.) So you now have some idea of how contractors were dealt with in the olden times. (Hear.) Now, I challenge the leaders of the Conservative party or any member of that party, to find a contractor or storekeeper who has received business or contracts at our hands who has ever been asked, or has been known, to contribute a cent for election purposes. (Cheers.)

GALT, SEPTEMBER 20th.

The Galt Demonstration followed next day that at Brampton, and was similarly successful. A very large procession was formed opposite the Young Men's Reform Rooms shortly before noon, and accompanied the Premier and friends to the pic-nic grove, a distance of about a mile out, on the banks of the Grand River. Here the Chair was taken by James Young, M. P., and Addresses were presented to the two Premiers by Mr. John Watson, President, and Messrs. J. Gordon Mowat and M. Moyer, Secretaries of the South Waterloo Reform Association. Mr. Thomas Hilliard, Secretary of the North Riding Reform Association, also read an Address to the Hon. Mr. Mackenzie. Upon the platform were Jas. Young, M.P., chairman ; Hon. Mr. Mackenzie, Hon. Mr. Huntington, Hon. Mr. Mowat, Isaac Bowman, M.P., Col. Skinner, M.P., Joseph Rymal, M.P., Gavin Fleming, M.P., Col. Higginbotham, M.P., Isaac Masters, M.P.P., Moses Springer, M.P.P., Dr. Macmahon, M.P.P., W. Sexton, M.P.P., Isaac Clemens, ex-M.P.P., and Robert Christie, ex-M.P.P. The speakers of the day were Hon. Messrs. Mackenzie, Huntington and Mowat, and Messrs. Bowman and Rymal, M.P.'s.

EXTRACTS FROM THE PREMIER'S SPEECH.

Senator Macpherson on Immigration.

* * * * I was a good deal amused with some of the matters discussed by the writer of Senator Macpherson's little pamphlet—(laughter)—and especially with his treatment of the question of immigration.

Reason why Immigration has of late been Restricted.

You are aware that during the last few years the immigration into Canada has been somewhat more restricted than before. Indeed, we have not hesitated at all to inform our agents in London to send no artisans and labourers to this country, but to send only those who would cultivate the soil and thereby become producers ; because the depression in our towns and cities has been such as to throw a great many of the artisans and labouring classes out of employment. The immigration was therefore necessarily less, for by bringing out vast numbers of labouring men we would only have increased the difficulties unfortunately experienced for two years by many of our people in obtaining as good a livelihood as they enjoyed a few years ago. That difficulty, however, is likely soon to pass away—(hear, hear, and cheers)—and we shall have a return of the time when we can urge the immigration of all classes of men and women into this country to settle its untilled lands and supply the labour market as well. It is tolerably clear to any honest man that we could not reduce the expenditures under a certain limit, but that we would have to maintain our staff in London and many of our agents in Great Britain ; in other words, that we must continue to keep Canada permanently before the emigrating class—those who would be profitable to us, and whose immigration to this country would be profitable to themselves. (Hear, hear.) It is very obvious, under these circumstances, that our expenses must be greater in proportion to results than in previous years.

A Contrast of Immigration Expenditures per Capita.

I will read you a statement I have obtained from the officers of the Department, by which you can make a contrast between the expenditures. The gentleman who wrote Mr. Macpherson's pamphlet—(laughter)—states that the total cost per head in 1873 was $7 76, and he calls that year the last of the late Government. You will not find 1873-4 there at all. Then in our first year he says that the cost per head was $18 90, and in our second year $26 55. Now, the Secretary of the Department states that in 1875—our first year—the average cost per head was $10 83, instead of $18 90, while in 1876 the cost per head, instead of $26 55, was only $10 82. Now, the cost in their last year was $6 37, or as near as may be $4 per head less than during our second year, when the number of immigrants was diminished by the causes—unavoidable causes—mentioned ; but besides these there is another fact which they are very careful not to

mention. **In 1873, just before they went out of office, there was, I am informed, an additional** payment of $5 per head practically given to the Allan Steamship Company, and this is added, of course, to the expenditure in our second year, but does not appear in the expenditure for their year. (Hear, hear.)

Total Expenditures Compared.

The total expenditure in 1873, according to Mr. Macpherson's pamphlet, was $277,368 ; the Secretary of the Department says it was $304,000. Mr. Macpherson tells us that the total expenditure in 1875—our first year—was $302,770 ; the Secretary of the Department tells us it was $296,692. The expense of agents' salaries, and other expenses, not including the London office, was, in 1873, $70,487 ; in 1874, $60,453 ; in 1875, $61,450 ; in 1876, $51,935. The cost of the London office was in 1873, $138,119 ; in 1874, $149,078 ; in 1875, $177,000 ; and in 1876, $136,000 ; so that in our last year this item was $2,000 less than in 1873, and $13,000 less than in 1874. (Hear, hear, and cheers.) The year 1875 was the largest of these years, because in 1874 we thought it desirable that the Canadian Government should have something in the shape of a London office for general purposes, and we rented a larger house in a better part of London than before, and we appointed Mr. Jenkins agent. And speaking of that gentleman, I am bound to say, in the interests of truth and justice, that while he acted as our agent he was most indefatigable in promoting the interests of Canadian emigration. But, besides, we formed a Canadian library, so that any Canadian going to London can have access to spacious rooms where the leading Canadian newspapers are to be found, where a list of Canadian visitors is kept, and a library of reference on Canadian affairs. It necessarily cost a considerable sum of money to get this office into full operation. That, however, was an expenditure that I consider not only a wise one, but one we were bound to make in the public interest, even if it was a larger amount than the London office had previously cost. (Cheers.)

EXTRACTS FROM MR. RYMAL'S SPEECH.

A Challenge Accepted.

* * * * That gentleman (Sir John Macdonald) had stated the other day that he defied any one to point out an instance, during his whole political career, in which he had allowed any one of his political friends to be benefited to the extent of a dollar out of the public funds. He would like to refresh his memory in regard to one transaction.

A Case in Point—A Black Political Intrigue.

They had all heard of Sir Allan McNab, who was a rival of Sir John's in 1854 for the leadership of the Conservative party. Sir Allan had been the leader, and Sir John wanted to be, and he effected his object by decapitating his rival during the time the latter was ill in bed with the gout. Sir Allan had told him (Mr. Rymal) at the time that the day would come when he would pay Sir John off for his ingratitude, and when Colonel Prince died Sir Allan offered himself as a candidate and was elected to the Legislative Council. Among his old Tory associates of former days he had a good deal of influence, and Sir John Macdonald saw that Sir Allan could give him considerable trouble, and that it was necessary to heal the breach in some way. He made Sir Allan Speaker of the Legislative Council with a salary of some $3,000 ; but he did more. He pretended to buy a property called Dundurn, in the city of Hamilton, from Sir Allan McNab, and paid him a large sum of money for it, and after it was bought the Government had no more use for it than any person present had. How was this managed ? Sir Allan appointed the late John Hillyard Cameron as his agent for the sale of the property, and Sir John made the same gentleman his agent for its purchase. There were no confidences liable to be broken in such an arrangement, and the consequence was that Sir Allan got his money and the people got nothing for it. Yet Sir John Macdonald had the hardihood to say that no friend of his had ever been benefited at the public expense. He (Mr. Rymal) had had a Committee struck to investigate the matter, and the transaction was unanimously condemned as a reprehensible one. If Sir John Macdonald wished to have a copy of the Committee's report, he should be happy to forward him one. The people of Waterloo and of Canada should look at the conduct of the leaders of the two parties, and judge in whose hands their interests might most safely be entrusted.

SIMCOE, SEPTEMBER 21st.

The grandest Demonstration of the year was that at Simcoe, by the Reformers of "Glorious Old Norfolk." The crowd was enormous—quite equal to that at Clinton—the procession miles in length and specially imposing, the decorations tasteful and appropriate, and the general arrangements unsurpassed. In fact, a political demonstration in all respects more successful it would be difficult to imagine. At Woodstock the Premiers and party were delayed for some time to permit of Addresses being presented on behalf of the Reform Associations of North and South Oxford, by their Presidents, Mr. John Douglas and Mr. James Brady, respectively. Short speeches in response were made by the Hon. Mr. Mackenzie, Hon. Mr. Huntington, Hon. Mr. Mowat, and Joseph Rymal, M.P. Arrived at Simcoe, the party were escorted to the grove

—a remarkably beautiful one, and admirably adapted for pic-nic purposes—and an Address from the North Norfolk Reform Association was presented to the Hon. Mr. Mackenzie by the President, Mr. Richard McMichael, and Secretary, Mr. A. J. Donly ; Mr. H. W. Allan, President, presenting one to the Hon. Mr. Mowat from the South Norfolk Reform Association. Dr. Baxter, M.P.P., also read an Address to Hon. Mr. Mackenzie, from the Reformers of Haldimand. Speeches were thereafter made by John Charlton, M.P., Hon. Mr. Cartwright, Hon. Mr. Mackenzie, Hon. Mr. Mowat, Hon. Mr. Huntington, and Joseph Rymal, M.P. Among those on the platform, besides the speakers, were T. Oliver, M.P., D. Thompson, M.P., Æ. Irving, M.P., Col. Skinner, M.P., John Clarke, M.P.P., and Dr. Baxter, M.P.P.

EXTRACTS FROM HON. MR. CARTWRIGHT'S SPEECH.

Sir John Macdonald's Veracity!

* * * But he (Sir John) has had the audacity to declare that he had a letter of mine which would show that I refused to support Sir Francis Hincks because he was a Reformer. Now, in the House of Commons I had stated that I refused to support Sir Francis Hincks because I believed he *was unable to command the Reform support*. That was the ground I gave in Sir John Macdonald's own hearing, and he did not dare to contradict the statement then. When I challenged him to produce the letter he had spoken of, he read to the electors here a letter in which there was not one word about my objecting on the ground that Sir Francis Hincks was a Reform representative, and he went on to ask, what possible ground could he have for supposing that I objected unless it was because Sir Francis Hincks was a Reformer ? Here are his words :—

"To me he gave no reasons for his withdrawal from the party; he simply said he could not support the Government that Sir Francis Hincks was brought into. What could I suppose? I had a right to draw the inference, because he gave no other reason."

Sir John Violating Private Confidence—Thieves' Logic.

Sir, there was not a man in Canada who knew better than Sir John Macdonald did when he made his statement what my reason was for withdrawing my support. He had written to me ; I have here his letter—a huge letter of six foolscap sheets, filled, from the "Dear Cartwright" with which he commences to the "Dear Cartwright" with which he closes, with a series of reasons why Sir Francis Hincks was likely to be accepted as a leader by the Reformers of Canada. Now, I entirely agree with Sir John Macdonald that all private correspondence should be held sacred, on one condition : that both parties to that correspondence shall continue to keep it sacred ; but I say that it was an infamous act for Sir John Macdonald to refer to my correspondence, and not to dare to publish the whole. (Hear, hear.) I say that when Sir John Macdonald brought a false and malicious charge against me he knew I had in my possession a letter of his convicting him of falsehood in bringing that charge, and that for him to dare to say that a man may make a false and malicious charge against another, and then say, "Although you have proof in my own handwriting that that charge is a false and malicious one, you must not use it because I marked it private"—I say that this is about as fine a specimen of thieves' logic as I ever remember to have heard. (Hear, hear.) I do not intend, to-day at any rate, to inflict this long letter on you, but I will give you a synopsis of its contents, sparing the private names and references which it contains ; and if Sir John Macdonald impeaches the truthfulness of that synopsis—if he dare deny that I have stated truly what it contains, *then* I will publish the whole letter, and every man in Canada will then have an opportunity of judging for himself who speaks the truth. (Hear, hear, and cheers.)

A Bit of Secret Political History.

It contains six mortal foolscap pages. The first page is chiefly devoted to Sir John's undying gratitude to the Reformers in Canada for having in 1855, and afterwards in 1864, put him where he was. It is to be wished that that gratitude had borne a little better fruit. The second paragraph is devoted to a short description of my friend the Premier and Mr. Blake, with a very ingenious *resume* of the reasons why he could not at that time "put salt on their tails." (Loud laughter.) The third paragraph goes on to show in detail what "steeped to the lips in corruption" means, used from one public man to another, and that it is rather a complimentary phrase than otherwise. Then he goes on to dilate on the advantages to the old Reformers of Canada of Sir Francis Hincks going into the Government, to deliver them from the tyranny of George Brown and THE GLOBE, and on the immense rally there would be around him—as in the general election of 1872, for instance. (Laughter.) Then follows a lecture on the best way to keep in power, which I think my honourable friend the Premier might take a lesson from. Then there is a general valedictory to myself, and a summary of the qualifications of Sir Francis Hincks. In truth, it is really a long argument to show that Sir Francis Hincks was a real Reform leader, and an unanswerable proof, in six pages, that Sir John, when he denied that I stated the exact fact when I said that I objected to Sir Francis because he was not a Reform leader, was making a statement precisely as valuable as when he told Lord Dufferin, on his honour and his fealty as a sworn Minister of the Crown, that he was absolutely innocent of all the things laid to his charge by my honourable friend the Postmaster-General. (Hear, hear.) Now, I will tell you the reason why I did not use that letter before. I wanted Sir John Macdonald to make that charge in the House of Commons, where there were men around us who knew every incident and fact connected with the matter. I had intended myself to have made use of these men to have refuted him as I have to-day. But I waited in vain all last session ;

and though he was challenged again and again to make good the statements he had made on public platforms, he sat dumb. As he has again repeated that slander, though I have so far spared him the publication of the details of that letter, I say again, let him, if he dare, deny the authenticity of this letter or the correctness of the statement I have made, and you will have an opportunity of judging of just how truthful a man our ex-Premier is.

Withdrew from Sir John when in the Zenith of Power.

If I did support Sir John Macdonald in 1863, I supported him when his cause was desperate, when every man with a gleam of political sagacity knew that he had not a chance of bringing back a dozen members from Ontario at the general election in 1864. When I left him, remember that it was in the zenith of his power—when, if he had exercised common prudence, he would not in all human likelihood have been dislodged from the position he occupied in 1869 and 1870 for many years. It was at that time that I chose, publicly and openly, to withdraw my support and allegiance from him. Now, of all these things I purpose speaking, and perhaps in some detail, in my own county, among those who know both of us best, and who will decide again, as they have done before, what amount of credence is to be put in me and what amount in Sir John Macdonald. I promise that when, in my own county, I have occasion to deal with this matter, I will give Sir John Macdonald what he little cares to hear, and what he never manages by any chance to utter—the truth, the whole truth, and nothing but the truth. (Loud cheers.)

EXTRACTS FROM HON. MR. MACKENZIE'S SPEECH.

A Specimen Statement of Sir John's.

* * * * But I observe that in that speech he (Sir John Macdonald) uses the following extraordinary language. He says my Administration as to legislation has really accomplished nothing. These are his words :—"If you look at the Dominion Statutes of last session you will find, although it is a volume of reasonable size, it is principally made up of Imperial Statutes, Orders-in-Council, proclamations, and private local Acts. The general Acts passed last session are about the size of Scobie's Almanac. * * * Hundreds and thousands of dollars have been expended in getting three or four Acts and the Supply Bill passed, and that is a specimen of the reform that was to be brought about as soon as Sir John Macdonald and his corruptionists were got rid of, and these heaven-born statesmen brought in." Well, sir, I preserved this assertion, and I prepared a statement of the legislation accomplished by both Governments from the year 1867 down to the present time, both as to the number of pages of public and private Acts published in the Statutes, and as to the number of Acts themselves.

Comparison of Legislation Accomplished.

In his first year there were 300 pages of public Acts and 36 pages of private Acts—17 public Acts altogether and 4 private Acts ; in his second year there were passed 58 public Acts and 10 private Acts, making a total of 379 pages ; in 1869, he had 45 public Acts and 28 private Acts, making a total number of 528 pages ; in 1870 he had 40 public Acts and 19 private Acts, or 211 pages ; in 1871 there were 34 public Acts and 24 private Acts, or a total number of pages of 205 ; in 1872 there were 43 public Acts and 74 private Acts, or 523 pages ; and in 1873 there were 66 public Acts and 60 private Acts, or 523 pages. In our first year, 1874, there were passed 53 public Acts and 67 private Acts, or 580 pages altogether, the largest volume of legislation that had taken place since Confederation. (Hear, hear.) In 1875 we had 56 public Acts and 42 private Acts, or 486 pages ; in 1876 we had 39 public Acts and 36 private Acts ; and in 1877 we had 50 public Acts and 38 private Acts, or 359 pages. In our time we had passed an average of 435 pages of Acts and 97 Acts during each session. During the period of our predecessors' administration the legislation showed an average of 386 pages, or 50 pages less than our average, and an average number of Acts of 74½, or 23 less than our average. (Hear, hear, and cheers.) And yet he gravely told the people in this quarter that we had no legislation, and that there were only four Acts passed in a single session—a session in which, as I have shown you, we passed 56 public Acts. (Loud cheers.)

AYLMER, SEPTEMBER 22nd.

The Reformers of East Elgin held their Demonstration in the town of Aylmer, the number present being estimated at eight thousand. Besides Addresses read by the President, Mr. T. M. Nairn, Reeve of Aylmer, to the two Premiers, from the Reform Association of the Riding, Mr. A. Blue, of the *Journal*, presented an Address to the Hon. Mr. Mackenzie on behalf of the Young Men's Reform Club of St. Thomas, as follows —

The Young Men's Reform Club to the Premier.

"*To the Hon. Alexander Mackenzie, M.P., Premier of Canada :*

"SIR,—On behalf of the Young Men's Reform Club of St. Thomas, we tender you a cordial welcome to the East Riding of the County of Elgin. Formed only last spring for the purpose of promoting the advancement of Reform principles, our club has had but a brief history. A humble auxiliary of the East Elgin Reform Association, it is the

first club of the kind organized in the county. We believe, however, that there is reason to hope that other similar institutions will shortly be formed, in time to be of some material assistance at the next elections to the political party which is proud to acknowledge you as its leader. Five years ago, when a Conservative Government was in power at Ottawa, our county was honoured with a visit from you, shortly after receiving a visit from the then Premier and one of his colleagues. Our people had then an opportunity of comparing the leaders of the opposing political parties, and, notwithstanding the desperate and unscrupulous means used by the Conservative leader to retain his hold on the constituencies, both ridings of Elgin, by decisive majorities, cast in their lot with the Reform party. That decision the county has seen no reason to regret. On the contrary, it has seen, in the improved tone of public morality under the new *regime*, in the excellent legislation initiated and carried into effect by your Government, in the economy and upright dealing introduced into the management of the public works, and in the able and honest administration of public affairs in general during the last four years, every reason for continuing to you and the party you lead the same confidence and consistent support it has extended to you in the past. As Canadians, we rejoiced at the overthrow of that party whose leaders had trailed the honour of Canada in the dust. We were pained, but not surprised, at the recent revelations which have shown that the Pacific Scandal was but an incident in a long career of public criminality on the part of those leaders. We have been proud of having at our head men such as yourself and your colleagues, whose characters, both public and private, have so well stood the test of four years of power and of an Opposition that has hesitated at nothing but at offering proof of the charges it has invented; and we venture to hope that we shall continue to see our country's affairs administered for many years to come by the Reform party, and you as its honoured leader. To further that object our club has been organized, and towards it our best endeavours will be directed.

"Signed, on behalf of the Young Men's Reform Club of St. Thomas,

"WM. MURCH, President.

"St. Thomas, 22nd Sept., 1877."

Replies having been made, speeches were delivered by Hon. Mr. Huntington, Hon. Mr. Cartwright, Hon. Mr. Mowat, Hon. Mr. Mackenzie, and Mr. W. A. Thomson, M.P.; besides whom there were on the platform Colin Macdougall, M.P., G. W. Casey, M.P., Dr. Wilson, M.P.P., Thos. Hodgins, M.P.P., and Dr. Clarke, M.P.P.

EXTRACTS FROM HON. MR. CARTWRIGHT'S SPEECH.

The Question of Testimonials—Opposition Enraged.

* * * * And, by the way, talking of testimonials, that reminds me that I had a few words to say on a recent occasion with regard to this question. Dire was the wrath I provoked in every quarter of the Opposition camp by these remarks. The *Mail*, in sheer despair of bringing me to reason, has recommended that if I should repeat these statements, I should be met with a shower of brickbats and bludgeons. (Laughter.) It has been intimated, indeed, that Sir John Macdonald and Senator Macpherson will demand satisfaction in mortal combat. Let them come. (Hear, hear, and loud cheers.) I have always laid down this rule in my public career—if I had made an unfounded charge, or spoken too harshly of any one, and my error is shown me, I will be willing and ready to make prompt and ample apology. But under no possible circumstances, when I have had occasion to denounce a wrong, will I, on account of threats levelled at me by any man, or by any body of men, cease to use my right as a citizen to denounce wrong-doers, nor will I, if their crime be a great one, hesitate to describe that crime as it deserves. (Loud cheers.) What was my offence?

Three Principles Right in the Abstract, but Unpleasant when Applied.

I laid down three simple propositions. I said that, according to the traditions in which I had been brought up, and according to my reading of the Decalogue, it was dishonourable to lie, it was dishonest to steal, and dishonourable also to follow leaders who did both. (Hear, hear, and cheers.) To these propositions, in the abstract, I do not doubt that all good men of all parties would yield their cordial approbation, but I fear that while they admit their truth in the abstract, they have a great disinclination to them in the concrete. As Mr. Biglow observes:—

> "They are willing a man should go tolerably strong
> Against wrong in the abstract; for that kind of wrong
> Is always unpopular, and never gets pitied,
> Because it's a crime no one ever committed.
> But he must not be hard on particular sins,
> For then he'll be kicking the people's own shins."

(Laughter.) That is my crime. I have been "hard on particular sins;" I have been "kicking the shins" of the Opposition members, and dire is their wrath and terrible are their threats against me. What I said then, I say now, and I speak with deliberate purpose. I regard the whole transaction as most grave—in short, as one of the worst things which has ever come to light affecting the Macdonald Administration, and I denounced it not because I wished to hurt their feelings, but because it is only right that the people of Canada should know—and no better illustration has ever been given—what were the means by which Sir John Macdonald kept power so long, and what he intends to do if he gets back into power once more. (Hear, hear.) Now, with respect to the testimonial itself, I have always held that it was defensible. I know that many persons whose opinions are entitled to very great weight have stated as their opinion that under no circumstances should any man, while he continued in a high position in public life, and especially while he held office as a Minister of the Crown, allow himself to receive presents of any sort on any pretext whatever. But I thought then, as I do now, that there were circumstances which rendered it excusable in this case. Great sympathy no doubt was felt for Sir John Macdonald when he was seized with what threatened to be a mortal illness some years ago.

Senator Macpherson and the Testimonial.

I admit frankly that I believe Senator Macpherson's motives in getting up the fund were at any rate partly good, though I fear that he acted with some degree of ostentation—that he did not much regard the Scriptural injunction, not to let his right hand know what his left was doing, and also that there was an element of shrewd calculation in the whole business. If you want to bestow charity, you know from very high authority on what class of people to bestow it; nor do I read that you are instructed to go very far out of your way to bestow charity on Premiers of the Dominion. (Hear, hear.) Premiers have a great many good things in their gift; Premiers can put a man into high offices, such as Lieutenant-Governorships, and so on; Premiers can give fat contracts—that is, if they administer affairs as they would "in the good old days of prosperity and corruption." (*Vide* Sir John A. Macdonald's speech at Simcoe last year.) (Laughter and cheers.) It may be contended, indeed, that Mr. Macpherson did not get the Lieutenant-Governorship of Ontario or the Pacific Railway contract, but then it may also be said that it was not for want of trying on his part.

Sir John's Duty to Know where the Money Came From.

Moreover—and it is a point of the very gravest importance as bearing on the conduct of all public men—I hold that it was Sir John Macdonald's duty not to have accepted—he being a public man—any testimonial unless everything connected with it was clear and aboveboard, and capable of being published to all the world. That was his clear duty, and that he should have insisted on from the first. Sir, I will not tolerate the poor pretence that he did not know who had subscribed to his testimonial. Before he took that money he should have taken care to prove that it came from "clean hands," and that he could take it without a smirch on his. One hundred thousand dollars is no small gift, and Sir John knew—no man better—that the very first principle of all agency is that no agent, of any kind or degree, has the smallest right to receive a present from any of his principal's customers or clients without the full knowledge of that principal. Sir John Macdonald was the agent of the people of Canada; he was a public man; he ought to have known better, and he did know better, than to allow any testimonial to be presented to him without the fullest publicity attending it. Does this seem a harsh rule to impose on a public man's conduct? One moment's reflection will show you not only that it is most just, but most necessary and inexorable. Do away with this, and you throw wide the door for every kind and shape of bribery in disguise. Do away with this, and you may at once and for ever blot out every law against tampering with the independence of Parliament. (Hear, hear.) Such testimonials, unless they are made publicly, are, I repeat, a most dangerous precedent, one which no man is justified in accepting, and one which should not be permitted to be given by any people having a regard to their own interests Well, Sir John Macdonald shut his eyes, and knowing only too well what sort of money would be taken to get up this testimonial, declined to investigate the matter, though he did not decline to receive the money. (Hear, hear.)

Sir John Ought to Pay Back the Money.

Well, let that pass. I have given you my opinion of his conduct in that respect, but afterwards, when it was revealed to him by the proceedings before the Royal Commission that at least $2,500 of that testimonial consisted of money improperly taken out of a fund belonging to the people of Canada, I say most emphatically that it was his duty to have at once refunded the money, or seen that the money was refunded; and if it be true that he was unable to pay it back himself, then I say that every consideration of good feeling and propriety required that his friends, of whom he boasts so many, should have come to his assistance, and should not have allowed him to be exposed to the taunts and reproaches of his adversaries for so small a sum as that. (Hear, hear.) Now, consider what the result of all this is. Unless Sir John Macdonald, or Mr. Macpherson, or the party to which they belong, choose to return that money, you must assume that they have laid it down as a plank in their platform that the theft of public money is an honourable thing, and that the application of such money to private ends is an honourable thing, or else they must admit that Sir John Macdonald is acting dishonourably in continuing to live on the proceeds of money so obtained. (Hear, hear.) From that there is no possible escape. The facts are plain as day.

Betrayal of a Public Trust by its Trustees.

Bear in mind that a large sum of money was granted to build this railway; that in 1869, under Sir John Macdonald's Administration, with his full knowledge and concurrence, a formal Act of Parliament was passed by which your claim was postponed, by which certain rights were given to the English bondholders, and by which certain regulations were laid down and trusts created as to the application of the railway receipts. These men held the railway in trust—first, to defray the legitimate working expenses; next, to pay the interest on the English bonds; and lastly, to pay the interest on the money due to the people of Canada. These terms were well known to Mr. Macpherson. He was a member of the Senate, a member of the Railway Committee which passed that Bill; he lived in Toronto; he knew all about the Northern Railway; he knew its creditors, and to whom the money really belonged; and yet Senator Macpherson dares to stand up in his place and defend that embezzlement; he dares to say that he sees no harm in it. Sir, I tell you that all these parties were trustees, formally created by Act of Parliament. Mr. Cumberland was the agent of the bondholders; he was a trustee to see that the terms of the Act were carried out. Senator Macpherson, first, as a citizen, was bound to see that the law was fulfilled, and next, as a legislator, was doubly bound to see that he did not aid or abet in any possible shape or way the infraction of the law he himself helped to place on the statute book; and lastly, and chiefest of all, Sir John Macdonald, Minister of

Justice and Chief Executive Officer of this Dominion, was specially charged to see that that law was put in force, that the people of Canada were not defrauded, and that the terms of the Act which he passed himself were fulfilled to the letter. How did they redeem their trust? No man can deny the facts I have stated ; no man can deny the existence of that trust.

Taking, Receiving, and Living on Stolen Money.

We find that one trustee took the money, another trustee received the money knowing it to be stolen, and the third and the chief trustee of all is still living on the proceeds of that money so obtained, and can see no harm in the transaction. Now, I confess till very recently, bad as I believed him to be in many things, I thought a great deal better of Sir John Macdonald than this. I did not believe, I can hardly bring myself to believe yet, that Sir John Macdonald, a man who for twenty years exercised so potent a sway on the destinies of Canada, could have stooped to so small a transaction as this. Moreover, I know Sir John Macdonald has not been, on the whole, a man greedy of mere money gains, and therefore I am the more astonished that when these facts were revealed, Sir John's own common sense, his self-respect, or, at all events, his self-interest, did not lead him to insist on returning that money.

Probable Reason Why Sir John Does Not Return the Money.

I can offer but one explanation—that Sir John Macdonald knew, or was told, that a great deal of this money came from tainted sources, and that if he began to return all that was improperly taken there was no knowing where he would have to stop. (Hear, hear, and laughter.) It has been asserted in the newspapers, and it has not been denied, that part of that testimonial money came from the coffers of the Grand Trunk Railway, an insolvent corporation, and part from the Great Western Railway, a corporation constantly seeking legislation, and which would therefore have a direct interest in propitiating Sir John and his friends. It has also been asserted—and if it is not true, let Senator Macpherson formally deny it over his own signature—that Senator Macpherson was so lost to all sense of propriety and decency that he attempted to levy contributions for this purpose on the judges of the land and the ordinary civil service of the country. I hope this is not true ; but it has been publicly asserted, and it is time, if false, that it should be publicly denied. I say that the proof of the nefarious manner in which a part of the money was obtained leaves but one remedy open to them—let the whole list of subscribers be published to the world ; let us see how many subscribed from fair and honourable motives, and also how many public contractors—how many insolvent railway companies—how many public debtors, contributed to swell the Macdonald Testimonial.

Defending the Transaction.

As I have said, there is one thing in all this business which astonishes me much, and that is the extraordinary stupidity evinced by these men and their partisans in attempting to defend what is utterly indefensible. I have never been able to understand how it was possible for men, many of whom we must believe are honourable men, to get up and say there is no harm in this kind of thing. Really the matter assumes the proportions of a psychological phenomenon. Here is Mr. Dalton McCarthy, who declines to give an opinion on the subject. He says he is "not going to say whether the taking of the money is right or wrong." I can quite understand Mr. Dalton McCarthy's position. I am told that he is rather an eminent criminal lawyer, and perhaps if he were to say rashly that it was wrong to take money that did not belong to one, he might be offending the feelings of a very valuable class of clients. (Hear, hear, and laughter.) But Sir John Macdonald is an ex-Minister of Justice, he is a public man, he is an able man, and he must know, theoretically at least, that it is wrong to steal. Mr. Macpherson has, I understand, a good deal of this world's goods; and if I know that gentleman, there is not a man in all Canada to whom a practical application of the communistic system would be more repugnant than to Mr. Senator Macpherson, though he seems to think it all right in the case of the Northern Railway. Now, this has puzzled me exceedingly. I don't know whether what I am going to say is another evidence of the brutality for which the *Mail* advises a shower of brickbats.

The Darwinian Theory of "Survival" Applied.

You have all heard, gentlemen, of Mr. Darwin and of his principle of the survival of original instincts to late dates. I have come to the conclusion that this is one of those curious traces of "survival" which he illustrates so well in his famous work. Sir John Macdonald and Senator Macpherson are both distinguished members of ancient and honourable Highland clans. Doubtless their predatory instincts are hereditary. (Loud laughter.) You know, gentlemen, what Sir Walter Scott said long ago :—

> "Show me the Highland Chief who holds
> That plundering Lowland flocks or folds,
> Is aught but retribution due:
> Seek other cause 'gainst Roderick Dhu."

Or against Senator Macpherson or Sir John Macdonald. (Loud laughter.) I wish to be just, and I believe that the present is a very curious instance of the truth of the saying that instinct is stronger than reason. The ancestors of these gentlemen, in times gone by, stole many a head of black cattle, and if they got caught they were sometimes hanged for it. Their descendants milk the Northern Railway cow on the sly, and get presented with a testimonial. (Loud laughter and cheers.) And this is the progress of the age we live in—though whether that progress be upwards or downwards I really do not know.

A "pre-Adamite Tory."

Sir John Macdonald is very fond of telling you that one of the reasons I could not agree with him was because I was a Tory of the Tories—a fossil Tory—because I was, as he said in another place, a pre-Adamite Tory; though what that may mean is only known to himself. (Loud laughter.) There may be some crumb of comfort to me in that case; for, as a clerical relative of mine once observed to me—"Take comfort, brother Richard, for if you were a pre-Adamite Tory, you were a Tory before the fall." (Loud laughter and cheers.) Sir John Macdonald has insisted that I am an old Tory, and that he is one of that precious breed of "young Liberal Conservatives" to whom Canada owes so much. It may be so. Permit me to mention one little anecdote. When I was before my constituents in the County of Lennox for the first time, one of the charges brought against me—and it was one not so very easy to answer—was that one of my ancestors many years ago sentenced a poor fellow to be hanged for stealing a watch. I don't know whether the story was true or not, but at all events I had some trouble in convincing the electors that if it was so my ancestor only carried out the stern and terrible law that was in force in those days. But when I heard Sir John Macdonald declaring that the reason I did not like him was because I belonged to the old Tory stock, while he was a "young Liberal Conservative," I could not help thinking that perhaps, after all, Sir John was lucky in falling into my hands, and not into the hands of my stout old grandfather. (Loud laughter.) Had Sir John Macdonald come before Richard Cartwright, the first of that name who ever lived in Canada, on evidence one-half as grave as that which he has given against himself out of his own mouth, gentlemen, I shudder to think what the consequences might have been to Sir John A. Macdonald. (Loud laughter.)

Senator Macpherson's Moral Indignation.

Now, gentlemen, there is one thing tolerably clear, and that is, the great worth and value of the moral indignation which Mr. Senator Macpherson expressed pretty publicly when he found Sir John Macdonald was not going to give him the Pacific Railway contract, but was going to give it to Sir Hugh Allan. You will understand from this little transaction what right Senator Macpherson had to feel indignant; and I think the country will now become tolerably well aware that we did not lose much by Sir John's assigning the contract to Sir Hugh Allan, and not to Senator Macpherson. The difference between them is this: that Senator Macpherson was quite willing to bribe Sir John Macdonald with other people's money, while Sir Hugh Allan took the bolder, and perhaps the honester—if you can use that word in this connection—course of bribing him with his own money. (Hear, hear.) There is a serious side to this business, however, and that is this—nothing can more thoroughly mark the extremely demoralizing effect of Sir John Macdonald's rule and precepts upon the members of his own party than this fact, that although I well believe there is not one honest man in Canada belonging to the Opposition party who does not feel in his heart of hearts that this was a crying shame and scandal, I have, up to this time, seen no supporter of Sir John Macdonald rise and denounce it; I have seen no member of the Opposition press bold enough to say that Sir John Macdonald should not have taken the money of the people of Canada for his own private profit.

No Doubt about the Facts.

And, remember well, there is unhappily no doubt about the facts I have narrated. They are on record in the statute books of Canada; they are proved by the evidence of these men themselves. I bring no slanderous charge: I state the facts; I draw the inevitable conclusion; and I ask you and every honest elector in Canada whether I have dealt too severely or too strongly with so heinous an offence as that which these men have committed or have been parties to, and in which they still profess "to see no harm?" All their defence, so far as I have yet seen, is first to howl at my hon. friend for appointing the Royal Commission which exposed these frauds, and then at me because I denounced these acts, as I will continue to do, in the terms which properly belong to them. I say that in one sense these things are worse than the Pacific Scandal. It rose perhaps nearly to the dignity of high treason, but this is no better, though perhaps it may be worse, than an ordinary case of petty larceny. (Hear, hear.)

Sir John and Mr. Auditor Langton—Contradicted by his own Witness.

I would like to pause here, but there is still one matter connected with this business which I must bring before you. When Sir John Macdonald was assailed for these acts in the House of Commons last session, he rose and made the following defence, in reply to a certain portion of Mr. Blake's speech. It is known to you all that the late Government consented to take $500,000 in relinquishment and extinguishment of all claims against the Northern Railway Company, whereas we are about to receive one million of dollars for the self-same claim. Sir John Macdonald saw what a terribly damaging circumstance that was to him, and this was the defence he made in the House:—

What Sir John Said.

"His hon. friend from Cumberland, to whom he must return his most grateful thanks for the manly defence he had made in his behalf, had truly said that the effort made to receive half a million dollars from the Northern Railway Company, by the late Government, and brought down to the House by Mr. Tilley, was done *after careful consideration by the Auditor-General.* The Government was so anxious that the matter should be fully considered, that although the railway laid all their statements before them, and used all the arguments that ought to be required in order to obtain the Government sanction, *the Government refused to accede.* The report as to the road was made by Mr. Langton, and he was known to be both honest and capable. He, at all events, was not bribed by the Northern Railway; he, at all events, had no election expenses to be paid; he, at all events, had no testimonial given to him. *He went to Toronto to examine the books* as a public officer, and on *his report* the Government felt itself satisfied in coming down with that proposal."

I was by some accident absent from the House when those statements were made, but as soon as I saw them recorded in *Hansard,* I asked Mr. Langton to state officially to me the circumstances

under which he had reported that $500,000 would be a sufficient sum to receive in relinquishment of the Government claims. Here is what Mr. Langton says. On the 6th April, 1877, he writes me an official letter containing this statement :—

How Mr. Langton Contradicts Sir John.

"I may as well state that the nature of the investigation at Toronto has been somewhat misconceived. *We did not undertake any examination of the books.* My instructions were *not to make any elaborate investigation.* Mr. Cumberland submitted to us a statement of the financial position of the Company, with the various claims in their order of priority, and *we made an approximate estimate* of the value of the Government claims against the road."

That was the laboured examination and investigation on which those gentlemen relied. Mr. Cumberland told Mr. Langton what he thought the road should pay, and Mr. Langton, not being allowed to investigate the books of the Company—which might have been very inconvenient, which might have ante-dated the report of the Royal Commission—accepts the statement, having indeed no other alternative and no other evidence to go upon, and that is the way the Government proceeded when they wished to present half a million of your money to the Northern Railway Company. Now, gentlemen, you have heard from Sir John Macdonald's own lips his excuse ; you have heard from the very witness he appealed to a flat contradiction of the statement which Sir John Macdonald made in the House. I leave it to you to judge, as I left it to the electors of Norfolk yesterday to judge, when, on the evidence of Sir John Macdonald's own letter, I exposed the other falsehood of his statement that I opposed the entrance of Sir Francis Hincks into the Government because he was a Reformer—I say I will leave it to you, as I left it with the people of Simcoe, to judge what reliance can be placed on Sir John Macdonald's statements when his object is to damage a political foe, or to screen himself from an inconvenient charge. This is no light matter.

Arriving at a Settlement—Probable Colloquy between Sir John and Cumberland.

Understand distinctly the position you were placed in—how you were dealt with in this transaction. Here were two agents making a bargain for their respective principals. On one side stands Mr. Cumberland, the agent of the bondholders, desirous of making the best bargain he could for the English capitalists whom he represented ; on the other side are your agents, the then Government of Canada, whose duty it was likewise to do the best they could for you, their clients. How does Mr. Cumberland, who is a pretty adroit railway manager, open the transaction ? He says to one of your agents, "Before we discuss how much the Northern Railway is to pay, allow me to remind you that I paid on a certain day $1,000 to defray the expenses of your election." To another, "Bear in mind that I subscribed $1,000 to your general election fund, that I subscribed $2,000 to help to carry on your paper, and it cost $10,000 to provide seats for two of your best supporters—myself and the President of the Company, Mr. John Beverley Robinson—that I have always given you the benefit of all the political influence of the Northern Railway Company." Then, turning to our chief agent, "You will please to remember, Sir John Macdonald, that you are now living on the proceeds of $2,500 of Northern Railway money." And then he would go on, "Now, those are the facts, here's my little bill. Put this through with what formalities you please. Send Mr. Langton to Toronto as often as you like, but understand he is to accept my statements. As for the books, I would advise you, for your own sakes, don't let him examine them too closely. It might be awkward—for you. (Laughter.) You got $27,000 in one shape or other for political ends ; now you have to accept my bill." And, gentlemen, they did accept Mr. Cumberland's little bill, even if they were not able to pay it at maturity, as they intended. (Hear, hear.) They did bring down their resolution—it stands on record in our journals yet—proposing to take $500,000 for what was well worth a million, and but for the resolute opposition of Mr Blake and Mr. Mackenzie, and the fact that, with the Pacific investigation hanging over their head, they dared not prolong the session, that infamous proposal would have been made law, and the result of that $27,000, so judiciously expended, would have been to defraud the people of Canada of full five hundred thousand dollars.

The Damaging Effect of these Revelations in England.

There is another consideration to be taken into account. All of you know—and no men have been more desirous of impressing it on you than the leaders of the present Opposition—how important it is for us to preserve a good understanding with the Imperial Government—how important to stand well in England—how important that the honour of our public men should be looked on there as a thing to be as highly respected as the honour of English public men. So far they are right. There is no doubt it affects you in every way—in your credit, in your reputation, and directly in your pockets ; nothing is more closely looked at or watched with more jealous eyes by English capitalists than the conduct in such matters of leading public men in those States with which they have transactions. They may not, and very often they do not, know nearly as much as they ought of our public affairs generally; but they *do* know and they *do* take into account whether the public men of this or of any other country to which they lend money are personally honest men or rogues. How stands the case ? Here is this record of the dealings of the then Government with the Northern Railway known of necessity to very many prominent capitalists in England, and—which I perhaps regret more than anything else—known to at least one officer of State of the highest rank in the Imperial Cabinet. How can we preserve a fair record with the Imperial Government ? How can we expect them to respect our public men as they ought to be respected, while these things are done—that is, if the people of Canada permit such things to be done with impunity ? Look to it well, for it concerns you narrowly. (Hear, hear, and cheers.) Sir, I believe it would have been better if Sir John Macdonald had taken that half million of dollars and flung it into the sea than to have allowed that miserable

$2,500 to appear in his testimonial as taken out of the Northern Railway funds, though belonging properly to the people of Canada. Now, I admit it is a most desirable thing that the people of Canada should respect the leading men of both sides. I desire most earnestly that they should be able to do so, but I have to add, that we must take care on both sides that public men shall be worthy of respect; and I say that no man who does such things can be worthy of your respect, your confidence, your trust, or your esteem.

Repentance must Precede Absolution.

And if I am told that I am repeating these things too often, that a generous foe would not constantly reiterate these charges, my answer is ready. I am as prepared to be generous as any man, but on one condition. I demand, before being asked to be generous, that these men should show some signs of penitence for the wrong they have done, not only to themselves, but to their party and to their country. (Hear, hear, and loud cheers.) The moment these men show that they do really repent, my advice will be to forgive them, and to abstain from all further reproach, but not to place them in power or positions of temptation until they have had a reasonably long probation and purged themselves of their iniquities. (Hear, hear, and cheers.) I repeat, when they confess that they have done wrong, and that they are sorry for their crimes, I will be the first to ask my friends not again to allude to these transactions. But, though I grant it may be our duty, as we are ourselves fallible mortals, to forgive an erring brother if he comes to us and says, "I have sinned; I repent; I will make such restitution as I can," what I cannot find recommended in Holy Writ, or in any moralist, heathen or Christian, whom I have ever read or heard of, is that it is our duty to forgive him while he persists in his evil-doing. No, sir; no. And I say, on the contrary, that it is our duty to stamp the mark of public reprobation, as I now do, on men who have been proved out of their own mouths thus false to the high trust you had committed to their hands—men who (as far as in them lies) have disgraced the name of Canadian statesmen to the level of the worst and most unscrupulous of the politicians of the United States. (Loud and long-continued applause.)

3011

THE TEESWATER DEMONSTRATION

MONDAY, SEPTEMBER 24th.

Illness prevented the Premier from attending the pic-nic at Teeswater by the Reformers of South Bruce. His colleagues present were the Hon. Mr. Blake, Hon. Mr. Cartwright, and Hon. Mr. Huntington, all of whom, besides the Hon. Mr. Mowat, delivered addresses. At Wingham, *en route* from London, Hon. Messrs. Cartwright and Huntington responded to an Address read by Mr. Ellis from the Reformers of the village; and upon arrival at Teeswater a similar Address was presented from the Reformers of the South Riding of Bruce. The President of the Reform Association, Mr. H. B. O'Connor, also read an Address to the Hon. Mr. Blake. Besides the gentlemen named, there were on the platform the Hon. Speaker Wells, M.P.P., Jno. Gillies, M.P., D. Sinclair, M.P.P., Thos. Gibson, M.P.P., and D. D. Hay, M.P.P.

HON. MR. BLAKE'S SPEECH.

Mr. BLAKE, on rising to address the meeting, was received with loud and prolonged cheers. He said:—Mr. Chairman and men of Bruce, more than two years have elapsed since I was permitted to address you, on my acceptance of the office I have lately been obliged to quit; and our altered relations, the new sphere of duty in which I have been involved, and the recent change, have naturally produced a mutual anxiety that we should meet, for the purpose of those explanations which it is the duty, and should be the pleasure, of a representative from time to time to make to his constituents. And yet I could have wished, had it been possible, that our gathering had been deferred even a little longer, since enfeebled strength and lessened force make it doubtful how far, and at what cost, I may be able to accomplish the task which is before me. I shall not attempt to address you at great length; nor do I propose to discuss some topics of transcendant importance, with our views on which you have been already familiarized through the reported speeches of leading Ministers, and on some of which you will doubtless shortly hear my distinguished colleagues who have favoured us with their presence to-day. It is rather my purpose to render some account of my stewardship of the office I lately held, and to consider certain charges recently made at Opposition meetings.

The Number of Cabinet Ministers.

We have been repeatedly attacked because we have not reduced the number of Ministers, and the expenses of administration; and it has been asserted, with my entire concurrence, that departmental expenditures, even though the totals be not large, are fit subjects for criticism, and furnish fair grounds for comparison between different Administrations. You will remember that it is not we, but our adversaries, who have instituted these comparisons; and while, but for their attacks, I should, perhaps, have left the subject untouched, you will recognize the propriety, not to say the necessity, of its discussion in defence against repeated charges of inconsistency, incapacity, and extravagance. I have no cause to shrink from the controversy—(hear, hear)—and I enter with confidence on the investigation to which we have been challenged. It is quite true that in 1867, when the number of Departments was fixed at thirteen, I objected to the arrangement as too extensive, arguing that for the Federal work of the Dominion, then comprising only four Provinces, a fewer number would probably suffice; that it would be easy to increase the number should experience demonstrate its insufficiency, but almost impossible to reduce it, even if it should be found too large; that the principle of sectional and proportional representation avowed as the groundwork of the Cabinet of thirteen was most mischievous, incapable of application in case of the addition of new Provinces, and yet extremely difficult to ignore once it should have obtained for any length of time; and on these grounds I contended that our first Cabinet after Confederation ought to have been fewer in number than it was. It is equally true that since the present Administration took office in the close of 1873 no proposal has been made for a reduction in the number. For this, we are charged with inconsistency. Sir, the charge is uncandid, unfair, and baseless. Altogether apart from the difficulties engendered by the creation and continued existence for more than six years of the Cabinet on the principle to which I have referred, the circumstances had in the interval wholly changed. Independent of the growth of the original Provinces, not less than four or five new Provinces had been added to the Dominion; British Columbia, Prince Edward Island, Manitoba, and the great North-west Territories, out of which was subsequently carved the district of Keewatin.

Largely Increased Work—Opposition Testimony Thereon.

These additions involved a corresponding increase in the legislative and executive labours of the Administration. So obvious was this to the minds of the late Opposition, that in the spring

of 1873, when the late Government proposed large increases to the salaries of the civil functionaries, including the Ministers, we made no objection to the continuance, even at increased salaries, of thirteen Ministers, and thus recognized in the most pointed manner that change of circumstances which our opponents now altogether ignore. (Hear, hear.) But, sir, they forget that they themselves once thought differently. They forget that in October, 1873, at the commencement of that short but eventful session which ended in their resignation, they proposed, doubtless with the highest and purest motives, an increase to the Cabinet, holding out to the men who were met to try them that inviting prospect in these words which they put into His Excellency's lips :—

"The extension of the bounds of the Dominion has caused a corresponding increase in the work of administration, and seems to call for additional assistance in Parliament as well as in Executive Government. A Bill on this subject will be laid before you."

Had they not fallen you would have seen the Bill; and the men who are now attacking us for not diminishing the Cabinet would have been vehemently defending its increase on the score of absolute necessity. (Hear, hear, and cheers.) Notwithstanding the large augmentation in the executive and legislative work of Government, we are to-day conducting the affairs of this country with the original number of Ministers—with that number which our opponents four years ago proclaimed too small. Now, those who are doing a great deal more work at the same cost are really working at a great deal lower cost ; to do much more work with the same number proves that a smaller number would have done at first ; it proves that we were right when we contended that the number was formerly too large ; but there is no proof whatever that for the present work the number is excessive, and the charge to which I have referred is utterly broken down both by the obvious facts and by the confession of the accusers. (Loud cheers.) I am, however, of the opinion that, without increasing the number of Ministers, a reorganization of some of the offices would be advantageous to the public service. The political work of the Department which I have recently quitted is acknowledged on all hands to be very onerous. During last session a leading member of the Opposition declared in his place that no one man could efficiently accomplish that work ; and I think that the political management of the office should be divided—some of its business being assigned to one of the lighter offices.

Increased Business done at Reduced Cost.

I have obtained for your information some statistics showing the increase of work in recent years ; and I may say that the business of that office approximately indicates the general increase of work in the other heavy Departments, inasmuch as its business largely consists of references from the other offices. The registered references in the office of Justice in 1869 numbered 1,693 ; in 1872 they numbered 1,971 ; making an increase of 278 only in the four years. But in 1873 they ran up to 2,753 (hear, hear) ; in 1874 to 3,403 ; in 1875 to 3,320 ; in 1876 to 4,344. In the first half of 1877 the number was 2,821, and assuming the same proportion for the last half, the number for the current year would be 5,642. Thus you will observe that the references for the current year will be almost threefold those for 1872. (Hear, hear, and cheers.) This increase is attributable partly to the growth of the older Provinces, partly to the business coming from the newer Provinces, whose work is far in excess of their proportion by population, as for example in the North-west territories and Manitoba, where we manage the whole land business ; partly to the alteration of the patent laws, and partly to other circumstances. Another test is furnished by the number of letters. In the fourteen months from February, 1872, to April, 1873, there were 3,000 pages of correspondence ; in the thirteen months from November, 1875, to December, 1876, there were 9,000 pages, showing that the work had more than trebled. (Hear, hear, and cheers.) These figures are independent of the arduous and complicated business connected with the North-west Police, which was for a short time conducted in the office ; and of the very serious extra labour involved under the reorganization of the Penitentiary administration. On the whole, I am confident that the work of the office has more than trebled since 1872 ; and this increase, I repeat, necessarily indicates a very large increase in the work of the other heavy offices. Now, sir, I turn to the question of expense ; and I ask you confidently whether, having regard to the results I have established, it would not be in the last degree unfair to complain of an increase in the expense of administration ? (Hear, hear.) If there had been no needless expense in salaries and contingencies in managing the smaller volume of business done in 1872, is it not reasonable to conclude that the work could not be trebled without, to a considerable extent, increasing the cost ? Could any of you, whether farmer or tradesman, treble your operations without at the same time increasing the charge for management of your farm or your trade ? The answer is obvious. (Hear, hear.)

Work Dreadfully in Arrears Under Late Government.

But what I have stated is only half the truth ; for I have been assuming that the work was formerly kept up to the mark, but in truth it was dreadfully behind-hand, the arrears in some cases extending back for years, and a most painful system of delays had grown up ; so that, not merely had the work increased, but the existing arrangements were inadequate to the efficient conduct of the smaller volume of business which formerly flowed in. You will see, therefore, that there appeared to be no alternative but to propose a very large increase in the cost of management. But before I point out how the exigency has been met, a sense of justice—in which I hope I shall never be wanting—impels me to say that my predecessors were circumstanced somewhat differently from myself. The first incumbent of the office held also the post of First Minister, which necessarily absorbed a large portion of his time and attention, and my more immediate predecessors each held office for but a short period, insufficient for the accomplishment

of any large measure of reform. It was not till my second year that I was able to complete the work of reorganization, involving as it did, among other difficulties, the retirement or transfer of various officers, which could be accomplished only by degrees.

Economies Effected.

Now I will give you the results of that reorganization. The staff had been increased in 1873, and in November of that year, at the resignation of the late Government, the annual rate of charge for salaries, including bonuses and an officer charged on contingencies, was over $13.500. Several changes subsequently took place, and the rate of charge when I took office in May, 1875, was over $15,750. I was, as I have said, unable to make a reduction in salaries during the first year; but the reorganization which, with the assistance of my colleagues, I was enabled to effect was such, that in June last, when I left the office, the rate of charge for salaries was only $10,750—(loud cheers)—a reduction of over $5,000, or about one-third of the rate when I took office, and of $2,800, or about one-fifth of the rate when the late Government resigned. (Renewed cheers.) This great reduction in the annual charge upon you for salaries has been effected, you will bear in mind, notwithstanding the enormous increase in the work, to which I have already called your attention. (Hear, hear, and cheers.)

A Comparison of Contingencies Accounts.

"But," it may be said, "you have accomplished this by transferring to contingencies the regular charge for salaries." That is not so. I quite agree with the argument which is frequently presented, that the contingency account should be jealously looked to, and as it is one of which a great deal has been made by the Opposition, and it has been alleged that in every department of this Government the contingent expenses have been enormously increased by scandalous waste and incapacity on the part of Ministers, I propose to show you the working of the contingent account of the office of Justice. In the fiscal year 1872-3, which I shall call for shortness 1873, the whole contingencies for that office were $9,470 39; in 1876 they were reduced to $4,996 37, and in 1877 they were reduced to $2,787 78. (Loud cheers.) Of the items which go to make up these totals there are four or five, such as stationery, printing, binding, books, subscriptions to and advertising in newspapers, in which no large reduction has yet been effected. These and some other small items made a total of $2,351 52 in 1873, which was reduced to $2,265 86 in 1877. The remaining items (those on which it was found possible to effect a large reduction) were telegraphing, cab hire, travelling and postage. In 1873 the telegraph account was $4,371 88; in 1876, $1,164 69; and in 1877, $330. (Loud cheers.) In 1873 cab hire was $1,035 50; in 1876, $38 80; and in 1877, $14 80. (Hear, hear, and cheers.) In 1873 the travelling expenses were $1,218 12; in 1876 $322 66; and in 1877, $51 35. In 1873 the postage account was $493 37; in 1876, $228 53; and in 1877, $125 77; although, as I have pointed out, the correspondence has greatly increased. The totals of these four items were: for 1873, $7,118 87; for 1876, $1,754 68; and for 1877, $521 92. (Loud cheers.) In 1876 the telegraph account was cut down to about one-fourth; travelling expenses to about one-fourth; cab hire to less than one-twenty-fourth, and postage to less than one-half. In 1877 telegraphing was cut down to less than one-thirteenth; travelling expenses to about one twenty-fourth; cab hire to one-seventieth; and postage to one-fourth. The total saving on the four items for the first year was $5,364 19, or three-fourths of the whole amount; for the second year, $6,596 95, or about thirteen-fourteenths of the whole amount. (Loud cheers.)

Results of the Several Savings Accomplished.

The saving on telegraphing alone was $4,040 out of $4,371; on cab hire alone $1,020 70 out of $1,035 50; on travelling alone $1,166 77 out of $1,218 12; and on postage alone $367 60 out of $493 37. The saving in telegraphing alone would pay the whole of the present contingencies, and leave a surplus of $1,250. (Hear, hear, and loud cheers.) The savings in cab hire, travelling and postages, would pay nearly the whole of the contingencies. The total saving on the contingent account was for the first year $4,474 out of $9,470, or nearly one-half; for the second year $6,682 out of $9,470, or nearly three-fourths of the whole amount. Combining the charges for salaries and contingencies, the total charge for the contingencies of 1873 and the rate of salaries for November of that year would be over $23,000. When I took office they would be over $26,600; and for 1876 they were reduced to less than $21,000; when I left office they had fallen to $13,537, about one-half, or a saving of $13,000 on the rate when I came in, and five-twelfths, or a saving of $9,500 on the rate when the late Government resigned, and this, mark you, once again, in the face of an enormously increased volume of work. (Loud cheers.) Now, sir, I do not propose at this moment to enter into an inquiry as to how the large sums I have named came to be expended by our adversaries in 1873 in the execution of the comparatively small work of that time. Our opponents at any rate will not contend that their expenditures were wrongful or wasteful; they will argue for their propriety and necessity; they will tell you that they could not conduct the business of the State more economically than they did. Assuming for the moment, without at all admitting the accuracy of this view, I leave you to contrast the figures I have given, and to determine whether they furnish any ground for charging us with extravagance or incapacity in the management of these departmental matters, which it has been rightly said are peculiarly under our own eye and control, and in respect of which, therefore, we have a special responsibility. Nay, sir, I go further—I retort the charge upon our adversaries; I say these figures put them, and not us, on the defensive; that they lead to inferences the very opposite of those which have been urged against us; and that we may fairly ask you to decide that we have been able to walk in a more excellent way than that followed by our loud-mouthed accusers. (Hear, hear, and cheers.)

Economy and Efficiency Combined.

But it may be said we have sacrificed efficiency to economy. That I emphatically deny. The business of the office has been promptly done on business principles; long-standing arrears have been wound up; and when I left the Department my officers reported that there was nothing behind-hand. (Cheers.) It has been found and will be found possible to manage the office with efficiency upon the present scale of expenditure, though the increase of business in the future may perhaps necessitate some small additions to the staff. I cannot part from the subject without saying that what has been done could not have been accomplished without the assistance of a most efficient deputy, and of other officers who took a pride and pleasure in their work. I make no boast of these results. It was my duty—my special duty—to improve the organization of my office. In response to the charge of neglect of duty I have spoken; and I shall expect candid Conservatives here and elsewhere to cease these attacks for the future until they have examined, and unless they can belie, my figures. (Hear, hear, and cheers.) Besides the changes which I have mentioned, others have been made in the same department.

The Penitentiary Board Removed—Its Results.

The Board of Penitentiary Directors was composed of three members. It had a good deal of power, and involved a good deal of expense. Its work was not satisfactory; and you may perhaps remember an investigation before a Committee of the House in connection with some transactions at St. Vincent de Paul Penitentiary, which did not reflect credit on the Board or its superiors. Mr. Fournier abolished the Board; substituting for it one inspector, who is an officer of the Department of Justice. It is true that by this change more work was imposed on the Minister, but at the same time greater economy, a more direct responsibility, and a higher degree of efficiency have been produced. The financial results have been that whereas the annual charge for the years 1870 to 1874 was within a trifle of $9,000, the charge for 1876 was $4,614, or about half the former amount. (Hear, hear, and cheers.)

The Dominion Police—Useless Officers Removed.

So again with reference to the Dominion Police, who are under the immediate surveillance of the Minister of Justice. The annual charge under this head for the year 1873 was about $17,200; the vote for the present fiscal year is $11,000, a saving of over one-third, or about $6,200, the bulk of which was caused in this way: I found there was an officer at Montreal called a Commissioner of Police, whose sole duties were to receive his own salary and the salaries of two constables (who themselves had nothing to do), and to send returns to Ottawa of this transaction. (Laughter.) We superannuated the officer, abolished his office, dismissed the constables, and saved the money. (Laughter and cheers.)

General Result of these Changes.

The general result of the economies to which I have referred is, that whereas the aggregate annual charge for departmental salaries and contingencies, for police, and for penitentiary administration was in the time of the late Government $49,200, it has been reduced to $29,100—a saving of more than two-fifths, or over $20,000 a year.

The Mulkins' Superannuation.

As I have mentioned the word "superannuation," I take the opportunity to advert to a charge lately made by one of the leaders of the Opposition with reference to a superannuation which took place in my office—that of the late chaplain of Kingston Penitentiary, Mr. Mulkins, who was said to have been superannuated in order that he might marry, and that a place might be found for the Rev. Mr. Cartwright, a brother of the Finance Minister. It was remarked with equal wit and delicacy that, having become too ill to act as chaplain, he took the opportunity of marrying, and that having nothing better to do, he had since died, whereas if he had remained in the office he would have been still doing duty as chaplain. With Mr. Mulkins' private affairs I am not so well acquainted as the speaker, but I am told that he had been married some six years before his retirement. He was nearly sixty-five years old, and had served twenty-five years when superannuated. His health had been impaired for some years, owing chiefly to typhoid fever, which he had contracted while visiting the prisoners, and to repeated attacks of which he was yearly subjected from the slightest causes. He submitted some years ago that it was not fair, under these circumstances, that he should be forced to continue in his office at the peril of these attacks, after his health had already been impaired and his constitution undermined by their recurrence; and he applied for leave of absence, which was granted on condition of his employing a substitute approved by the Board of Penitentiary Directors. The Board reported to the Minister that Mr. Mulkins had nominated the Rev. C. E. Cartwright, which arrangement was satisfactory to them, they having ascertained from the Warden that Mr. Cartwright was a clergyman in good standing, and well qualified to discharge the duties of chaplain to the Penitentiary. In the course of the inquiries prior to that transaction, Dr. Lavell, the Penitentiary surgeon, certified that Mr. Mulkins had had repeated attacks of typhoid fever within the preceding six or seven years; and that he was subjected to relapses from the slightest causes. The Rev. Mr. Dobbs, a respectable clergyman, also gave a certificate to the same effect. Mr. Mulkins went abroad for some time (Mr. Cartwright discharging his duties as chaplain), and on his return in June, 1875, he brought a certificate from his English physician that he had treated him for an attack of bronchitis, attended with severe congestion of the lungs, and that he considered it essential that Mr. Mulkins should have absolute rest, and that he should resort to a warmer climate. He applied to be relieved from his duties; but he also applied for the addition to his allowance of some years of service, which it was in the power of the Government to grant. I refused that addition, but I thought it my duty, under the circumstances I have mentioned, and having formed the opinion that the duties of

chaplain could not be efficiently discharged by Mr. Mulkins, to agree to his superannuation. I recommended that act; I am responsible for it, and I am quite prepared to defend it. After the superannuation of Mr. Mulkins, it became my duty to recommend some one for the vacant office. Having ascertained that the expectations which the Board of Directors had formed with reference to the suitability of Mr. Cartwright had been more than realized, I believed him a fit person for the office of which he had been discharging the duties; I therefore offered it to him; he accepted it, and was appointed. This, gentlemen, is a plain history of a transaction which took place before the late session of Parliament, which was never challenged there—(hear, hear)—about which no papers were asked for, but which is now, on the occasion of the death (within a few months of his superannuation) of the late chaplain, brought forward as a gross and indefensible job—on the false statement that we had superannuated a man who was in perfect health in order that we might appoint a Minister's brother to his office. These may be small matters, but they are doubtless legitimate grounds of attack if wrong; and if attacked it is our right and our duty to defend ourselves in small things as well as great. (Loud cheers.) It is therefore fitting to make public the facts which, if our accusers had acted with fair play, they would have demanded where they had a right to demand them—in Parliament; and to make them public at the earliest possible moment after the false charge has been thrown broadcast over the land.

Administration of Justice—Natural Increase of Expenditures.

There are some items in the expenses of the Administration of Justice which must necessarily increase. Every effort to economise has been made, but while the tide of crime runs so high, as unfortunately it has risen in Canada of late years; while the number of our convicts increases so rapidly; while it is necessary to erect new penitentiaries in the remote Provinces of Manitoba and Columbia for the reception of small numbers of convicts; while improvements are being made in other penitentiaries, it is impossible to keep at the same level the charges for services that are so increased. (Hear, hear.) All I can say is, that although these are not so immediately at the command and under the control of the Minister as the other services to which I have referred, every effort has been made by systematization and organization, by rigid inquiry, by improvements in the modes of tendering and of accounts, by the most efficient use of the staff at our disposal, by the utilization, so far as practicable, of the convict labour, to reduce these expenses to the lowest point compatible with the public service. Some of these improvements are only beginning to bear fruit. The reorganization of St. Vincent de Paul, which was in a disgraceful condition, is, I am glad to say, acknowledged to be satisfactory. The completion of the new penitentiary for the Maritime Provinces will put matters in those quarters on a footing very much better than the present; and the sale of Rockwood Asylum for about $100,000 has provided us with a fund, the interest on which will more than pay the expense of maintaining the criminal lunatics.

Increase in the Judiciary.

The remaining great item of expense with which the Department of Justice is concerned is the salaries of the judges. You know that under our constitution there is unhappily a divided power with reference to the judiciary, the Local Legislatures organizing the Provincial Courts, while the Federal authorities appoint and pay the judges. We have, under these circumstances, but a very limited degree of control over this expenditure. The fact that it has increased has been made the subject of a very ignorant attack, not, indeed, in the House of Commons, but elsewhere. The increases are due to the following causes:—First, to the additions made to the salaries of the judges in the spring of 1873; secondly, to the creation, by several of the Provincial Legislatures, of additional courts; thirdly, to the retirement, through infirmity, of some of the judges; and lastly, to the creation of the Supreme Court. With the first of these we have nothing to do; over the second our control was, as I have pointed out, hardly appreciable, and no hint of dissatisfaction at our action on this or on the third head has been expressed in the House; and as to the Supreme Court, that institution had been proclaimed as a necessity by our opponents, was recognized as such by us, and has been established on the most economical basis consistent with its efficiency. Something has been said adverse to the change made by the Legislature of this Province in the Ontario Court of Appeal. I learn that my friend the Attorney-General of Ontario is to be here to-day, and I hope he may address you in vindication of that measure, which, for my part, I should, under other circumstances, be very ready to defend, believing, as I do, that a change was absolutely necessary, and that the plan adopted was the simplest and most economical which could at the time be devised. I entertain the hope that at some future day the appeal may be direct to the Supreme Court, and it will be found in such case that all the present judicial strength of the Province can be utilized to advantage. However, with this I have, as a Canadian Minister, no direct concern; and I will only add that I am prepared, when our assailants condescend to details on this subject of judicial salaries, to meet them, and to establish that we have done nothing which was avoidable, or of which we have reason to be ashamed. (Hear, hear, and cheers.)

The Dispensation of Patronage.

Now, with reference to the patronage which belongs to my late office, you cannot have failed to observe that from time to time the basest motives have been insinuated as the grounds for appointments, the merits of which could not be disputed. I shall make no long comment nor engage in any retort on this accusation. I have simply to say that these appointments were made with the most earnest desire on the part of my colleagues and myself to choose the very best and fittest men for your service. (Hear, hear, and loud cheers.) It is of comparatively little consequence who fills a political office, because if the man who fills it fails to meet your expectations, or turns out incompetent, you can very soon turn him out, and so end the trouble; but the man who is ap-

pointed a judge, and as such may at any time hold in his hands the fate, whether as to fortune, freedom, or good name, of any one of us, this man holds his office by a tenure practically not far removed from life. He may be a blessing, but again he may be a curse, to his country for twenty or thirty years; and therefore it is a most sacred duty on the part of a Government to search for the very best men to administer these tremendous responsibilities. Now, I say that the very best men have been sought, and I believe that as a rule the very best men have been found, and I am glad to know that the appointments have given general satisfaction. I may add that the same principle has been applied in the selection of the other public officers whom I have been called on to recommend, and that I have in no case permitted political claims to supersede the consideration of efficiency, which should, in my opinion, be the one thing needful in a candidate for the public service. (Hear, hear, and cheers.)

Commutation of Sentences.

Another ground of attack, out of session, on the administration of justice, was as to the exercise of the prerogative of mercy in capital cases. I am spared the necessity of any vindication of my course in that regard, because my accusers, bold and blatant as they were behind my back and before the session, did not when we met venture, although repeated opportunities occurred, to repeat the gross charges which had been made that the prerogative had been sold for money; or to question, I do not say the integrity, but even the discretion, with which that prerogative had been administered in any one case. No less than three bills were introduced, and one or more returns were moved for, on the subject of capital punishment, each furnishing fair ground for the discussion; besides this the question might have been raised any day on a motion; but no man was found to say a single word, or utter a single whisper, of condemnation or disapproval, or even of enquiry. (Hear, hear.) The pain and anxiety attendant on the decision of these cases is very great; indeed it is hardly conceivable to those who have not been called on to deal with them; and I do not disguise from you that that pain and anxiety was aggravated by these unworthy charges. But, as I have told you, they were not heard in that place in which they could be met; I am vindicated by the silence of my opponents; and having now no attack to answer, I pass from the subject. (Hear, hear, and cheers.)

Legislative Work Accomplished.

Without detaining you by a more extended reference to the executive and administrative work, departmental and general, of the last two years, and being anxious to turn to the legislative work, I think I have said enough to show you that we have been fully engrossed with the pressing duties of our offices, and that there is reasonable cause for our inability to be much amongst our constituents, or to engage in the discussion of topics which, I am free to say, would be much more to my taste than the work which was before us. As to the legislative business of Parliament during the last two sessions, I propose to confine my remarks to some of those measures with which I was more immediately connected, without touching at all on the many important Acts passed during those sessions under the auspices of other Ministers. I must in the first place remind you that in previous sessions the Government had dealt with three capital pieces of legislation—namely, the Election Law, the Insolvent Law, and the Supreme Court Law.

Tory Claims to Election Act.

All the merits of the Election Law are now claimed by our predecessors. They say they gave most of them, and were quite prepared to give the rest. Now, we had proposed these improvements several times before the election of 1872. We proposed the trial of election petitions by judges; they voted it down. (Hear, hear.) We proposed simultaneous polling; they voted it down. We proposed the ballot; they voted it down. We proposed the appointment of certain classes of permanent officials as returning officers, instead of the system of the late Government, by which they chose whom they pleased to act as returning-officer, as arbiter and judge between themselves and their adversaries; they voted it down. (Hear, hear.) All these reforms which are now embodied in your law were proposed in Parliament before 1872, and were, on one pretext or another, voted down by the late Government. They were forced after that election to give the trial of election cases by judges. As I happen to know, several of their own candidates were obliged to pledge themselves to that reform during the election, and the Government was thus forced to yield. They now tell us they would have given the rest in good time. Well, I don't doubt that they would have given you the rest as soon as they found themselves compelled to do so. (Hear, hear.) Having held off as long as they could, I have no doubt that we should have extorted as the price of their continuance in office the surrender of some of those means by which they were used to maintain themselves in power. But to claim your gratitude and confidence for good intentions so very tardy, and produced by such influences, is too audacious. You owe these reforms to the Liberal party, and to them alone. (Cheers.)

The Ballot—Its Satisfactory Operation.

With reference to the ballot, I told you in 1874 that I believed it was not required except for a small minority of our people, but that it was important to all of us that the vote of each of us should be free; and while, for my own part, I have never concealed my desire for the open vote when the state of society and of public feeling shall be so improved that the open vote shall be free, I am still of opinion that, in our present condition, the ballot tends more than the open vote to that result, and therefore is a beneficial reform. (Hear, hear.) It has been whispered, indeed, that for a considerable class of our fellow-citizens the ballot does not insure secrecy. That, however, has not been established, and the discussion of the serious consequences which might flow from such a state of things would be at present premature. As things stand, I believe the working of the ballot so far has shown that it is, upon the whole, suited to the present condition of the country, and that it is likely to stand for some time as a political institution. (Hear, hear.)

The Electoral Franchise.

It was and is the policy of our opponents to frame a uniform franchise all over this wide country, and to engage a horde of Government employees, at a great expense, to make the lists and determine who should be the voters. We, on the other hand, by the law which is now in force, gave to each Province the franchise which that Province considers best suited to its circumstances, and this at comparatively no expense, the local lists being used for the Commons elections. (Hear, hear.) This talk of uniformity of franchise is to my mind preposterous. Uniformity in words would mean diversity in fact—(hear, hear)—for the circumstances and occupations of the people, and the form and distribution of wealth in each of the Provinces, is very different. To lay down one uniform rule would suit the condition of no one Province accurately, and would thus dissatisfy all; it would create two different franchises in the same Province; it would cause enormous expense; it would place the control of the lists in the hands of Government employees; and it would be to my mind on all grounds a mistake. Remember, too, that if at any time Parliament is dissatisfied with a local franchise, it retains power to frame one according to its own views. Meantime it is the policy of the Liberal party to adopt the franchise of the Local Legislature.

The Farmers' Sons Act—A Word to Young Men.

I am glad to know that the Ontario franchise has lately been much improved. (Hear, hear, and cheers.) One of my suggestions, in a speech in 1874 which evoked some discussion, has found its way into the statute book. A class of our population, which as I thought was entitled to the franchise by its intelligence and by its real though unrecognized stake in the country, but which by its practical exclusion from the benefits of the income franchise was deprived of its right, has received it under the Farmers' Sons' Franchise Act of last session. (Hear, hear, and loud cheers.) The true tests of the franchise to my mind are citizenship and intelligence. (Hear, hear, and cheers.) I don't think we can uphold the franchise of any of the Provinces as perfect; but the nearer we can approach to the practical adoption of the rule that every good citizen possessing a reasonable share of educated intelligence shall have a vote, the nearer shall we approach to what is my idea at least of the true basis of the franchise. (Loud cheers.) I rejoice that the men of this Province are admitted to the franchise while still young. I have always believed that the exercise of the franchise is in itself a very great educator, and that those who were about in a very few years to wield by their votes their country's destinies should be initiated into the discharge of that duty while yet their votes, though powerful, do not predominate. Being thus called on to take an early and active interest in the politics of the country, they will be the better fitted for the discharge of the duties of citizenship when they in their turn shall form a majority of the electors. (Loud cheers.) I congratulate the young men of Canada upon the right which has been recognized as theirs. I trust and believe that they will use it wisely; that they will use it as true Canadians ought—for the interests of this country in which they were born, in which they expect to live and die, and which holds within its bounds what is most dear to them, whether of substantial or immaterial things. (Renewed cheers.)

The Election Act—Penalties for Corrupt Practices.

It soon became apparent that the Election Law did not secure the trial and punishment of offenders against its provisions, and that a long series of penalties on the statute book was but a solemn farce. We have, therefore, passed a law making it the duty of the judge, on finding a *prima facie* case of breach of the Election Act, to try the supposed offender early and summarily without a jury, and to inflict on the convict imprisonment as well as fine—not fine alone, because, the mere infliction of a fine might be no punishment to a wealthy man, and does not involve the disgrace which attaches even to a short term of imprisonment. I believe that those who have hitherto either recklessly or corruptly broken the law will be afraid to break it now, and that we will find ourselves on the approaching occasion nearer a pure election than ever before. (Hear, hear, and cheers.) It became apparent that the law was defective also in that it did not provide sufficient means for the prosecution of enquiries into certain cases where yet corrupt practices probably prevailed; and we have accordingly made provision by which a Parliamentary Commission may issue for a full enquiry into cases in which, by the judge's report or otherwise, it appears that the investigation before him was stopped by the action of the parties, and that there are grounds for believing that further enquiry would be desirable. By these means the breakers of the law will be discovered, and it will be in the power of Parliament, if the corruption shall appear widespread and an example become necessary, to resort even to the extreme and somewhat arbitrary step of delaying or declining to issue a new writ. (Cheers.)

An Untrammelled Vote the Highest Liberty.

You know that I have for some time favoured a change in the present system of representation, believing that it involves injustice, inequality, and chance to an extent not creditable to this country, and which would not be endured but that long habit and practice have blinded us to its obvious defects. You are aware that I did not think the subject ripe for Parliamentary action; and I should not myself have presented it at present to the notice of the House. Some progress has, however, been made in that direction. A Select Committee was struck last session, at the instance of a member whose illness unfortunately prevented the prosecution of the enquiry; but I suppose that it will be resumed next session, and I venture to believe that if that enquiry be prosecuted, facts will be disclosed which will tend to the formation of a sounder public opinion on the subject, and which will at any rate show that the present system is so defective as to require amendment. Another demand of a very different character has been made from very high quarters, namely, that we should alter the law as to undue influence. Now, the basis of our representative institutions is that our elections shall be free. Each of us is called on to surrender his share of

control over the common affairs to the majority, upon the ground that this surrender is necessary, for so only can we reach a decision ; but also on the hypothesis, without which the demand would be quite unjustifiable, that, all having a common interest, and each man speaking freely for himself, the view of the majority is more likely to be sound—is more likely accurately to represent what would be beneficial to the community than the view of the minority. This is the groundwork. Now, that ground-work wholly fails if the vote be not the expression of the voter's own opinion, but the expression of somebody else's opinion different from his. (Hear, hear.) If, instead of its being his opinion, it be the opinion of his employer, his landlord, his creditor, or his minister, why, it is not his vote at all, it is somebody else's, and we have not submitted ourselves to the free voice of our fellow-countrymen, but possibly to the voice of a very small minority, who have determined what the voice of the larger number is to be. Thus the whole basis of our representative institutions would be destroyed if we permitted the opinions of our employers, creditors, landlords, or ministers to be forcibly substituted for our own. (Hear, hear.) For this reason, besides the penalties which are enacted against the exercise of undue influence, we have declared that the vote of any man so unduly influenced shall be null and void, and that elections carried by such undue influences shall be annulled. I cannot, if a landlord, say to my tenant, "Now, tenant, I shall turn you out at the end of your term if you do not vote for my candidate." Though I may have a legal right to turn him out at the end of the term, yet I cannot give the intimation that I will, on this ground, exercise this right. If I do, the vote is annulled as not free. I cannot, if a creditor, say to my debtor, "I will exact that debt at once if you do not vote as I wish," though I may have a legal right to exact my debt. I cannot, if an employer, say to my employee, "You shall leave my employment at the end of the current term unless you vote with me," though the law may not oblige me to retain him in my service. It has been found necessary in all these cases to prevent the relations to which I have referred from being made the means of unduly influencing the vote, in order that this great cardinal principle of our Constitution—the freedom of each man to vote according to his own opinion—may be preserved intact. (Hear, hear.) True, the landlord. and the creditor, and the employer have each the right to speak and persuade by arguments ; and the confidence placed in them may be such that the voter's opinion may be changed ; but between the argument, the persuasion, the confidence which may conduce to a change in the mind and opinion of the voter, and that coercion which compels him to vote contrary to his mind on the threat of some loss or penalty, there is a broad and palpable distinction, and that is the distinction which the law lays down. Now, if there be a form of religion under which the minister is supposed to have the power, by granting or refusing certain rites, or by making certain declarations to affect the state of the voter after death, is it not perfectly obvious that the threat of such results to the voter unless he votes in accordance with the opinion of the minister, might be infinitely more potent than any of the other threats which I have named—the exaction of a debt, the ejection of a tenant, or the discharge of an employee ? (Hear, hear.) And would not such a threat be obnoxious to just the same objection ?

Christian and Political Principles—Their True Relations.

I am far indeed from implying that politics should not be handled on Christian principles. Whatever difficulties and differences there may be as to Christian dogma, there is, fortunately, very little difference concerning Christian morals. We are, fortunately, all united in this country in the theoretical recognition—however far we may fail in the practical observance—of the great doctrines of Christian morality which are handed down to us in the Gospels ; and I believe it is on the basis of those doctrines that the politics of the country should be carried on. (Hear, hear, and loud cheers.) Dim indeed would be our hopes, and dark our expectations for the future, if they did not embrace the coming of that glorious day when those principles shall be truly, fully and practically recognized—if we did not look forward to the fulfilment of the promises that "the kingdoms of this world shall become the kingdoms of the Lord ;" and that "nation shall not make war against nation, neither shall they learn war any more ;" if we did not watch for the time when the human law of self-interest and hate shall be superseded by the Divine law of self-sacrifice and love. But while we hope and strive for the accomplishment of these things, we must not forget the lessons of the Great Teacher and Exemplar. When interrogated upon secular things—when asked as to rendering tribute to Cæsar, He said, "Render unto Cæsar the things which are Cæsar's, and to God the things which are God's." He laid down the principle, and He left the people—the querists —to make the application. So again when He was called upon to settle a dispute between two brothers about an inheritance, He said : "Man, who made Me a judge or divider over you ?" Such was the view He took as to the duty of a minister, as to the work of the pulpit ; and while I do not hesitate to say that to all ministers I would freely accord the right as citizens of voting, of expressing their opinions, of arguing and persuading, and influencing if they please, my own opinion is that the pastor of a flock divided on politics will be much more likely to retain the fullest confidence of all the members of that flock, and so to discharge effectually his great task, if he abstains from active interference in those political affairs on which there is and will be great division of opinion among them. (Hear, hear, and loud cheers.) But, sir, it has been argued in some quarters that the free exercise of one form of religion amongst us is impaired by this law. That would indeed, if true, be a serious thing. But if it were true, we would still be bound, in my opinion, to preserve the fundamental principle of the freedom of the elector. (Hear, hear, and cheers.) No man, any article of whose creed, should make him a slave would be fit to control either his own destiny or that of free men. A slave himself, he would be but a proper instrument to make slaves of others. Such an article of religion would, in a word, be inconsistent with free institutions, because it would not permit that liberty of opinion in the individual, which is their very base and corner stone. (Hear, hear, and cheers.) But we are not confronted with that

difficulty. The public and deliberate utterances of high dignitaries in more than one Province of Canada have shown that the assertion is unfounded, and have recognised the right of every elector to vote according to his conscience; and the recent statement—communicated to the public through Lord Denbigh—of the head of that Church, shows that the United Kingdom, where the law as to undue influence is precisely the same as ours, is perhaps the only country in Europe where the professors of that religion are free to practise it. If this be the case in the United Kingdom, it is so here, and it is not true that there is any form of religion, the free and full exercise of which is impaired by the preservation of the great principle to which I have referred. I trust, then, that the ill-advised pretensions which have been set up will be abandoned; but should they be pressed, I take this opportunity of declaring that for myself, whatever be the consequences, I shall stand by the principle which I have laid down—(loud cheers)—and shall struggle to preserve—so far as my feeble powers permit—to each one of my fellow-countrymen, whatever his creed, the same full and ample measure of civil freedom which he now enjoys under these laws which enable him and me, though we may be of diverse faiths, to meet here on the same platform, and here to differ or agree according to our own political convictions, and not according to our religious faith or the dictation of any other man, lay or clerical. (Loud and repeated cheers.)

The Independence of Parliament—The Anglin Case.

My references to the Electoral Law would be incomplete without some allusion to the question of the independence of Parliament. I have been charged with being personally responsible for advice said to have been given, under which the late Speaker of the House, and, as it is asserted, several other members, entered into pecuniary relations with the Government. I meet that charge with the distinct declaration that it is utterly false. (Cheers.) I never gave such advice; I never was asked for advice, or consulted upon the subject. I think the men of Bruce are aware from what I have said to them and done amongst them what my answer would have been to any such question. You know that on two occasions I have resigned my seat for this Riding and submitted myself for re-election, not because the letter of the law required it, but because, under the circumstances, I thought it more consistent with the spirit of the law that I should give you an opportunity of determining whether I should continue your representative. That is the principle on which I have acted, and on which I shall continue to act. Had I been asked to advise in this case, I would have said it is needless to consider whether the proposal is within the letter of the law; it is within its spirit, and I decline to be a party to it. But I was not asked. The truth is, that a late member of the Government ordered this printing to be given to Mr. Anglin without the knowledge of any of his colleagues; that the circumstance did not come to the knowledge of the Government until January, 1876, and that as soon as possible, within eight or ten days thereafter, the Government ordered the arrangement to be entirely discontinued. These facts are not now stated for the first time. They were stated over and over again in Parliament, and have been established by the most indisputable evidence. It has been alleged that I defended this transaction in my place in the House. I did what I believe you will approve. The Speaker of the House of Commons happens to be the only man there who, if spoken to or about, cannot speak back—who, if attacked, cannot reply. He is debarred by his situation from saying a word, no matter how cruelly wounded, no matter how unfairly aspersed, no matter how complete may be his defence to the charge against him.

A Right and a Wrong Way of Disposing of the Matter.

There was a mode of bringing up this matter by which British justice would have been satisfied and British fair play observed, and there was another mode by which the accused might be judged without the opportunity of defence. Sir, the mode our opponents chose was not the former; it was the latter. (Hear, hear.) They were called on to withdraw the motion; they were told that a Committee of Enquiry would be agreed to, before which the Speaker might appear to answer the injurious insinuation that he had been purchased, might establish the facts, and furnish the arguments and precedents which he thought material on the legal aspects of the case—by which, in a word, enquiry and defence might precede decision. They were called on not to ask the House to condemn a man unheard; but they declined, and I was amongst those who by voice and vote rejected such an unjust, such an arbitrary, such an unfair and un-British motion as the one they proposed, preferring the enquiry which was promised during the debate, and which was ordered within five minutes of the defeat of the motion. (Hear, hear, and cheers.) On that enquiry Mr. Speaker had an opportunity of defending himself. The charges which had been made against him of having sold his position, of having made a bargain unworthy of him, were repelled by him; the circumstances were stated, the precedents on the strength of which he acted were quoted by him, and his case was fully and fairly brought before the public and the House. The Committee determined that the precedents did cover the case, but that they were erroneous, and that on the true interpretation of the law the seat was vacated, and they reported accordingly. It has been charged against the Government that they deferred the presentation of the report of that Committee. Sir, that is a most unjust charge. In the first place, the Government had no power to defer the presentation of the report; and secondly, the Committee themselves unanimously agreed in my presence on an instruction to their chairman to defer it to the last moment before prorogation; and for having complied with this instruction, men who are led by members who in Committee gave the order, say that the chairman and the Government are at fault. The report also unanimously found that the law passed by our predecessors on this subject was defective and required amendment, and I have no doubt that the Minister entrusted with that duty will be prepared with such amendments as may be necessary to put the law on a proper footing.

The Insolvent Act—Its Amendments.

The next matter of legislation to which I would refer for a moment is the Insolvent Act. It had been passed before I took office. It is a very difficult subject. It is impossible to frame an Insolvent Law which shall work satisfactorily or even tolerably, unless by the active and earnest co-operation of creditors. Several alterations have been effected, I trust for the better. An effort has been made to secure for the creditors further control over the estate; to secure to them some estate to control; and to provide additional safeguards against the misconduct of assignees. I am far from saying that the law is even now perfect, but I hope it is improved.

The Supreme Court Act—That "Little Bird" a Mocking Bird.

Then there was the Supreme Court Act, which was also passed before I took office. A prominent leader of the Opposition had declared in the House that that Act would be disallowed; later he stated publicly that he had been told the same thing by a little bird. (Laughter.) He said that this Act had struck a blow at the connection. I do not disguise my sentiments on this subject. I am of opinion that our disagreements as to the construction of our own laws can be better decided by our own Courts, filled with men familiar with our Constitution, customs, and jurisprudence, than by any foreign body of jurists, however eminent. (Hear, hear, and cheers.) I am certain they can be so decided much more economically and expeditiously; and my opinion is that the appeal to the Privy Council should be abolished, or, at any rate, that the minimum amount for which an appeal can be made should be raised very high. These men are crying out that we are interfering with the "connection," Do they know what an expensive affair this so-called link of the "connection" is? I had occasion to enquire a short time ago, and I found that the average total costs on both sides of an appeal from Lower Canada are about $5,000; while the average time which is taken up between the initiation of the appeal and its decision is between two and three years; so that whether you gain or lose, you are kept in suspense during this period, and perhaps have to pay the enormous sum I have named for the privilege of preserving this so-called link. It is indeed a golden band! Why, the average cost of an appeal to the highest Court in your own Province is perhaps $400, and that of an appeal to your own Supreme Court should be only a trifle more, perhaps about $500, while the time occupied in reaching a decision should not exceed a very few months. I believe that those of you who may be unfortunate enough to be involved in litigation will hardly thank the Opposition for their efforts to preserve this expensive privilege, which is really a privilege to the rich as against the poor suitor, and which has been greatly abused in some of the Provinces. (Hear, hear.) I believe you will be quite prepared to say that if we are fit to determine what our laws shall be, we are fit to interpret those laws after they are made. And this is the whole question involved in the appeal to England. (Hear, hear, and cheers.) But, sir, this was not a question really raised by the Act, because the prerogative right of Her Majesty was expressly saved; but the subject was so confused by the attacks of the Opposition that some difficulty was felt regarding it, and I was requested by the Colonial Secretary to proceed to England to confer with him on the subject. I did so, and the result was that the Act was not disallowed; it was left to its operation, and so the little bird on this, as on some other occasions, did not sing true. (Hear, hear, and laughter.)

Criminal Statistics—Legislation Thereon.

Another subject of recent legislation was that of criminal statistics. We are constantly passing laws on the subject of crime and its punishment. The tide of crime has been rising fast; and the problems involved are fraught with painful interest to the whole community. It is not creditable to us that we should have been so long without an efficient system of statistics, which should show how the laws work; how far punishment follows crime; the effects of different modes of punishment; the increase or diminution in the different kinds of crimes; and the growth of the class of habitual criminals; thus pointing out the cases which require remedial legislation, and to a great extent indicating the appropriate remedy. We have provided at a small expense for the collection and registration of these statistics; and I hope that the beneficial result of that measure will soon become apparent. While touching on this subject I may add, that we have provided for the collection also of insolvency statistics, which are of great importance to the commercial and to the whole community. I may say generally, that it is unfortunate that Canada should be so imperfectly supplied with machinery for the collection of statistics on many other subjects of interest. My colleagues, in common with myself, are fully alive to that fact, and it is only the question of expense which, in the present condition of the country, deters us from proposing the creation of that statistical machinery which every free community must feel to be material to intelligent, sound and progressive legislation.

Rights of the Subject to Sue the Crown Recognized.

Another piece of legislation important to a considerable class is the law giving the subject the right to sue in respect of claims against the Crown. Until lately there was no such right in Canada; no matter how plain and just might be the demand, the subject could not take it into Court and pray for judgment against the Crown. By an Act introduced by a private member in 1875 such claims were submitted to the decision of Provincial Judges; but to that plan there were obvious objections, which became remediable after the organization of the Supreme Court; and it became our duty to introduce another law placing this matter on its present footing, and providing for the disposition of such cases by that Court.

The Labour Laws—Sir John's Bungling Legislation Rectified.

Another subject which attracted our anxious attention was the condition of the labour laws. The old law with reference to combinations of working men and of employees was not satisfactory, and in the session of 1872 the then leader of the Government passed an Act which was claimed

by him, and was supposed by the working people of that day to be an immense boon to them. No long time passed, however, before they found it was a fatal gift; and they became as anxious for its repeal as they had been grateful for its enactment. A temporary law was promoted by my predecessor in 1875; and in 1876 a permanent law was introduced, by which the subject was removed from the list of class-legislation. The law is no longer directed specially against employers and workmen, but is general, and applies to all persons using violence or threats to compel others to do what they have a legal right to abstain from, or to abstain from what they have a legal right to do. Under this law such acts of violence or threats are punishable, and so the freedom of action of each individual is guarded; but it is not criminal for any person, whether an employer or a workman, to combine with others for the accomplishment by lawful means of such objects as the raising or depressing of the rate of wages.

Workingmen Protected in their Rights.

Those workmen, therefore, who wish, can unite and co-operate for this purpose; but they are not permitted to injure or threaten a fellow-workman who may choose not to enter their combination. No doubt there remains to them considerable power of coercion, by means of which the law cannot take cognizance. The acts which are restrained are those palpable wrongs which are the proper subject of criminal legislation, and their definition has been carefully framed, so as to avoid as far as possible injustice either to the union or the individual. Provincial laws remained in force until last session which made breaches of contract of service criminal, though no other breach of contract was a crime. If I contract to pay a man a sum of money, a breach of that contract is simply a civil wrong; it is not treated as a crime; and there is no reason, according to our more modern and juster notions, why an employee who, having contracted with me for a month's labour, breaks that contract, should be regarded as a criminal. (Hear, hear.) This remnant of class legislation has been removed, and ordinary breaches of contracts of service are no longer criminal. There are some cases, however, of breaches of contract, whether of service or otherwise, which do obviously partake of the character of crimes, as where a man wilfully breaks a contract knowing that the consequence will be great public loss or inconvenience, or the destruction of valuable property. These breaches we have kept in the list of crimes, specifying the cases of contractors with gas and water companies who wilfully break a contract knowing that the consequence will be to deprive the town of gas or water, and those of contractors with railway companies carrying mails who wilfully break their contracts, knowing that the consequence will be to delay or prevent the progress of trains, and so cause loss and inconvenience to large numbers of passengers, besides stopping the arteries of commerce and the despatch of the mails. It has been our desire to secure the abrogation of all class privileges, and so to legislate as to place all classes of Her Majesty's subjects within Canada on precisely the same footing before the law. (Cheers.) It has been a great satisfaction to us to learn from our communications with both employers and workmen that the general scope of these measures is acceptable to both, and to observe that while our legislation is in the same direction as that which has taken place in England, it is more liberal, and exhibits a bolder application of the principle to which I have referred than they have yet been able to attain. (Cheers.)

The Grand Trunk Strike—The Government's Course.

Great interest has been aroused on this subject by the strike on the Grand Trunk Railway, when Mr. Mackenzie was blamed for not ordering the troops to various points at which the men on strike were collected in considerable numbers with riotous intent. I am responsible for this action of the Government, for as its law officer I was called upon to advise, and I advised that we had no power to send the troops as proposed. It is now conceded that we had no such power; the contrary has not been even pretended latterly. I shall not detain you by discussing the constitutional principle underlying the statute on which my advice was based; but I may say that the old law as well as the new was founded on the view that the local authorities were and ought to be responsible for the preservation of the public peace, so long as the breach of the peace did not assume the character and proportions of a rebellious or insurrectionary movement; and that to the local authorities was, or should be, committed ample power—by swearing in special constables, or, if necessary, by calling out the militia—to discharge this duty. But there was this difficulty in the case of a railway riot—that the cause of disturbance might be a general one, extending all along the line, not originating in any particular municipality, while the expense of quelling it would fall upon the municipality, perhaps a weak one, within which the rioters might choose to gather, and naturally those in authority there would be reluctant to call out 200 or 300 militia, when their own small municipality would be called on to pay the cost of what was not in reality a local difficulty. We remedied this to some extent by providing that in certain cases of riots, causing obstruction to mail trains, the Government of Canada might pay the whole or part of the reasonable expenses of calling out the troops; but we left the responsibility and power where they were before, with the local authorities, both on the constitutional principle which forbids our trusting the Executive Government with the calling out of the troops, and also on the view that in a country such as ours it would be impossible for the Executive Government, with the necessary promptitude and exactness, to ascertain whether the case were one requiring the calling out of the militia, or to act upon their information. In the case supposed, the mails are stopped; the telegraph may be stopped; the riots are at one or more distant points. The Executive can neither judge nor act upon its judgment. We therefore left the power and responsibility with the local authorities. (Cheers.) This subject has attracted renewed attention from the recent extensive disturbances in the United States. Some of the large centres of population in that great country have been in the hands of a lawless mob for weeks; some of its great hives of industry have been broken up; millions of dollars worth of property have been destroyed; and complete

social disorganization has taken place. These are most deplorable events. Let us take warning by them. We are a sparse community, scattered over a great expanse of territory, disabled by these circumstances, as well as by the other demands on our limited resources, from providing bodies of trained servants for the preservation of peace throughout the land. We must trust to our own efforts as citizens for the preservation of the peace. We should therefore exhort our magistracy, our local authorities, and our citizens generally, to learn their duty, to consider the consequences in case unhappily such disturbances should get head amongst us. Celerity and decision of conduct are absolutely essential. Give the riot head, and it may grow to an indefinite extent; act at once, and it remains a trifle. Therefore it is that recognizing the possibility—however remote—of the spread of these disorders to our shores, we should determine to disregard all appeals for misplaced sympathy. (Hear, hear.) It is one thing for a man or body of men to say to their employers, "We are not paid enough for our labour; our contract is ended, and we cease to work for you unless you raise our wages." That is their right—a right used sometimes wisely, often imprudently, but still their right—to refuse which would make labour the slave of capital, and the exercise of which must be fully granted. But when they add to the strike violence; when, not content with desisting from employment, they, by violence or threats, coerce others of the community not to undertake the service which they themselves refuse to perform; when they seek by the destruction of property to obstruct the operations of trade and commerce unless their demands be yielded, they place themselves wholly in the wrong; and society should act promptly and sternly against them in its own defence, which, in such an emergency, in this country, can, as I have said, be done only through each man's readiness to go out as a special constable or as a militiaman, in order to subdue those who are making themselves outlaws, and subverting our whole system of law and order. (Hear, hear, and cheers.) I had purposed to say something on the subject of the relations of labour and capital, including the machinery of strikes and the schemes for cooperation in production and distribution, and for arbitration as a mode of settling disputes between employers and employees; but for this and some other topics of interest time and strength fail me, and I must pass on.

Our Maritime Laws on the Lakes.

Another important subject of legislation was that of maritime jurisdiction on the great lakes. Your county is bounded by one of these magnificent inland seas, bearing on its bosom an enormous commerce. For ages the relations of the commercial marine of every maritime country have been regulated by special laws applicable to the peculiar exigencies of such affairs, comprising a prompt procedure and a lien on the ship in respect of certain classes of wrongs and contracts. This code has prevailed for many years on the United States' shores of these lakes. They have there the power of arresting one of our ships to secure the redress of a wrong; but we had not the like power here. A proposal was made to apply for legislation in the Imperial Parliament creating Imperial Vice-Admiralty Courts with jurisdiction on our lakes. I did not favour that plan, thinking such legislation would be retrogressive; and believing, conformably to the opinions I have already expressed, that we are ourselves quite competent to determine what laws should regulate our maritime concerns, and to interpret and adminster the laws we make, without resorting to the British Parliament for legislation. (Hear, hear, and cheers.) Having been charged with the duty of representing these views, and having come to a satisfactory understanding with Her Majesty's Government on the subject, I was enabled to promote last session the passage of an Act establishing maritime rights and remedies, and a Court for their execution—a law which we can ourselves, without the difficulties and delays incident to action in the British Parliament, mould and alter from time to time as our experience may indicate; and thus we have, at last, inaugurated a system which should have been in operation long ago. A general feeling was evinced by the House in favour of the extension of Canadian legislation to the maritime concerns of the sea-board; and I was gratified to hear re-echoed the opinion which I had expressed, that before long these matters also should be regulated by Canadian law.

Extradition—Important Negotiations.

Another subject with which we had to deal was that of extradition. The old Ashburton Treaty, regulating the mutual surrender of criminals between this country and the United States, is altogether too limited, many serious crimes against the person being omitted from its provisions, and a still greater number of that unfortunately increasing class which may be called commercial crimes. In all these omitted cases the offender finds a safe refuge in the neighbouring country. Between two States whose border of 3,000 miles is in many places unmarked by any natural line of demarcation, and where every facility exists for escape from one country to the other, the absence of fuller provision for the surrender of fugitive criminals is simply shameful. We have no right to negotiate directly with a foreign power; had it been otherwise, I believe we should long ago have concluded a satisfactory extradition treaty with the United States; but, as things were, we took the only course in our power, namely, to make a strong representation to the British Government. We found that after negotiations had been going on in a somewhat dilatory fashion for a number of years, they had been broken off on a point, as I judged, of no great difficulty. Soon after came the misunderstanding between the two Governments, into the details of which I have not time to enter, but which resulted in a dead-lock, the operation even of the old convention being suspended. I had been charged to discuss the subject with the British Government, and it became my duty to point out the intolerable position in which Canada was placed; that we could not recover our own criminals from the United States, while at the same time our country was made a refuge for the rascals of over forty millions of people; and that crimes, especially on and near the border, must greatly increase from the practical immunity afforded to the perpetrators. I urged, therefore, the pressing necessity for concluding a new treaty forthwith, or of reverting

to the old one. Negotiations were re-opened for a new treaty, and the operation of the old convention was revived. While the negotiations are pending a Commission has been issued by Her Majesty's Government to make enquiry into the whole subject, and I hope that before long our wishes may be gratified. Meantime we have succeeded in passing for our own purposes a law which provides new and improved machinery for putting in force the present and all future conventions; a step which had been attempted for some years without practical result. We have thus done all that is in our power, unless we should be driven to deal with the subject by legislation independent of treaty, which I hope will not be the case.

The Governor-General's Commission and Instructions.

I was also charged to discuss with the British Government the subject of the commission and instructions to our Governor-General. These documents are no longer suited to our circumstances. Under them the Governor is ordered not to act on the judgment of his responsible advisers, but according to his own discretion, in all cases of commutation of capital sentences, from which it should follow that there might be no responsibility on the part of his Ministers. So, also, he is instructed to act, if he sees fit, in opposition to the advice of his Council in other matters, with the same consequences; and further, he is instructed to reserve for Her Majesty's consideration Bills on various important classes of subjects on which we have been granted by the Constitution power not merely to pass Bills, but to complete the legislation by the assent of the Governor. In reply to the representations made of the anomalies contained in these instruments, the Colonial Secretary announced a general concurrence in those representations, and his intention shortly to forward a commission and instructions in general accordance with the views laid before him. (Hear, hear, and cheers.) These views, as you will have observed, were all in the direction of securing to us that fuller measure of self-government which becomes our station amongst the peoples of the world. (Hear, hear, and cheers.)

Canada's Future, and its Relation with the Empire.

And here I must seize the opportunity of saying a word or two with reference to our relations to the Empire, which were necessarily to some extent, however slightly and incidentally, involved in that discussion. You know that I have expressed the opinion, which, I believe, is shared by most thinking men, that these relations are anomalous, and that the present form of connection is not destined to be perpetual. My opinion is that the day must come when we shall cease to be dependents, as I hope, by exchanging dependence for association; by rising from the present position of colonists to that of partners in the freedom, the fortunes, and the responsibilities of the Empire. (Cheers.) The subject has received a considerable impetus since its discussion three years ago. One of the foremost statesmen of the English Liberal party, Mr. Forster, in the fall of 1875, delivered a long address, in which he fully recognized—what some people here do not feel disposed to recognize—the anomalous character of the present relation of England and her colonies, and said that the choice was between separation and federation; between partnership and dissociation. He gave his powerful voice for partnership; and he invited his fellow-countrymen—as I in my humble way invite mine—to look at the subject calmly from that point of view; and—the present tie obviously lacking the elements of permanence—to prepare their minds for the assumption of that full measure of freedom and responsibility which belongs to us as fellow-subjects of those Britons who inhabit the United Kingdom. (Loud cheers.) But I must leave this great theme and turn again to my narrative of domestic legislation.

Carrying Firearms.

I am sure you will agree that a measure was required with reference to the use of firearms. The carrying of revolvers by the disorderly or criminal classes and by young and irresponsible persons had become a crying evil. What in former days would have been a violent, perhaps a brutal but not a fatal blow with the stick or the fist, is now only too often a deadly pistol shot. We thought the time had come when we should cautiously, but still firmly, endeavour to repress the practice of carrying these weapons. Our law does not absolutely prohibit the carrying of pistols, but places it under necessary restrictions by dealing with those who are found carrying them without reasonable cause, or when arrested for crime, or with intent to injure another. We have also made it a crime to point a firearm, whether loaded or unloaded, at another. (Hear, hear.) You find every year perhaps as many as half a dozen cases of death arising from this reckless practice, which will, I trust, be checked by the knowledge that those pursuing it expose themselves to the gaol.

Gambling and other Crimes.

We have also passed what I hope will be useful laws upon the subject of gambling. Besides making it a crime to be present at, or join in, play at a common gaming house, we have provided for the summary punishment of persons gambling on trains or steamboats, or keeping betting offices, or selling pools—arrangements which are so common on the race-course and other places of public entertainment. Those of you who live in towns will know more perhaps than those who live in the country of the demoralization and ruin which have resulted from the spread of those gambling institutions, and will share my gratification that something at least has been done towards their repression—(hear, hear)—though I must express my regret that the operation of the Pool-selling Bill has been delayed and its efficiency diminished by causes over which the Government had no control.

Prison Labour and Discipline.

The subject of prison discipline has also occupied our attention. It is a great defect in our present system that we have no proper plan for the employment of our prisoners in our gaols, and the sentence of a criminal to hard labour is frequently a farce. He adds while serving his term

vicious company and idleness to his former qualifications for crime, and he too often comes out a worse man than he went in. Policy and humanity, which in truth always chime, here do so obviously, and teach that even in order to the repression of crime the reformation of the criminal should be kept in view. Accordingly, we have made some, though as yet very imperfect, provision for the employment of prisoners in the common gaols. We have also applied to the prisoners in the Central Prison a principle hitherto confined to the Penitentiary convicts; we have given to the prisoner the element of hope; we have held out to him the expectation of the remission of a definite portion of his sentence for good behaviour and industry; and I am confident that this provision will have a most beneficial effect, both in furthering the reformation of the prisoners, in facilitating the management of the gaol, and in increasing the value of the prison labour. Much, however, remains to be accomplished in the field of prison piscipline; and I hope that the next few years will see something more done in that direction. There are several other measures to which, without departing from the limited range in which I have been engaged, I might direct your attention, but I must'not trespass much longer on your time, and I have perhaps said enough to show you that the Government cannot be fairly charged with apathy or indolence in the performance of their duty as the initiators of practical legislation. (Hear, hear, and loud cheers.)

Personal Attacks by the Opposition.

I must now say a few words upon the personal attacks made on me a few weeks ago, because I did not go out of the Government altogether when I became unable, from ill health, longer to discharge the duties of Minister of Justice. I was charged by more than one speaker on that occasion with being guilty of dishonourable conduct because I did not follow the course suggested. I was told that I had committed political suicide by the acceptance of my present office. Sir, if I were disposed at this time to enter on a not unjustifiable course of retaliation and retort, the materials are plenty and convenient, and perhaps I am not altogether destitute of the power to apply them. (Hear, hear.) I might point out to you what manner of things the men who stigmatise my action as dishonourable have thought not dishonourable in themselves. I might show you what things the man who announces my political suicide has thought to be in his own case consistent with political vitality, aye, with political triumph. (Hear, hear, and cheers.) But at this time I forbear; I prefer to confine myself to my own vindication. Conscious of my absolute innocence, I shall not—however amazed at such language from such lips—I shall not enquire into the character of my accusers, or lower myself by the argument that they are guiltier than I, or close their mouths by the recital of their story. (Hear, hear.) Indeed, I understand that they consider all such allusions as ungenteel, irrelevant, and offensive, arguing that they make no pretence to the possession of public virtue, and that it is no part of the duty of a critic to live up to the canons he lays down for others. (Laughter.) You are well aware that I accepted office with very great reluctance, the grounds of which I am not here to particularize. That reluctance was but intensified by time; and when, after a considerable interval, it happened that my health gave way, and I found myself unable longer to discharge with efficiency the duties of my position, it did appear to me that I might fairly claim that greater measure of freedom and repose which I should have enjoyed if I had been permitted to return to the position I formerly held—the only position I desired to occupy—that of your independent representative. In that view, sir, I earnestly pressed on my friend Mr. Mackenzie the acceptance of my resignation. Mr. Mackenzie and my colleagues, however, thought that I ought not to leave the ship at that time if it could be at all avoided. I was referred to the example of a former holder of my place—an example which I do not cite in order to condemn his course—when he retained it for many months while wholly disabled by illness from discharging its duties. I felt, however, that the office required the presence of an efficient head, and that otherwise much of what had been accomplished would be lost, and I could not reconcile myself to the adoption of that course. Yielding to the earnest wish of my colleagues, I reluctantly adopted the only alternative which presented itself, and agreed to try the experiment for a time of a change to a lighter office. But these gentlemen now condemn me because, as they say, my office is a sinecure, the holder of which has nothing to do except to sign Orders in Council and draw his salary. I was a little amused when I read that charge, and I imagined to myself the council of war at which the line of attack upon me was settled.

A Council of War that Probably Took Place.

There were three generals in council, and I could almost hear one of them saying to another, "Now, you tell the people that Blake's office is a sinecure; that he has nothing to do except to sign the Orders in Council and draw his pay, and that it was a shame for him to take such a place." The other would doubtless reply, "Why, I can't very well do that; I was First Minister, and created the office. I am responsible for having assigned to it its duties and its pay, and for having appointed its incumbents for six years; and if I was right about the duties and the pay, and about filling the place half a dozen times—well, I can say a great deal (laughter), but really I don't think I can attack Blake for taking it." (Loud laughter.) I can conceive Number Two turning to Number Three and asking, "Will you say it?" and Number Three replying, "Well, I would like to have a dig at him—(laughter)—but the fact of the matter is, you have forgotten that I filled the office myself—(hear, hear, and renewed laughter)—I held it for more than two years, and if it was right for me to fill it, it can't be wrong for him. It is quite true that when I was there I did nothing but sign orders and draw my salary—(laughter)—but wouldn't I be blaming myself if I blamed him? I think, on the whole, I had better say nothing about it." (Laughter.) Then Numbers Two and Three would turn to the original introducer of the subject, and tell him, "You must say it. It is true you were a member of the Government which created the office and assigned to it its duties and pay, and you are therefore responsible with the rest; but then you know you

are not very particular about what you say—(hear, hear, and laughter)—*you* say it and we will back you up." (Laughter.) And he *did* say it; and they *did* back him up. (Loud laughter.) Well, the fact is that the departmental duties of the office are very light; but the fact also is—and those who made the charge knew it; I have heard them state it repeatedly—that it is important to a Government to have some offices lighter than others, and that there is always enough work to be done by every willing Minister; and although there may have been some Presidents of the Council—as I am bound to suppose from these gentlemen's own statements—who regarded their whole duty as limited to drawing their salaries and signing the orders, there may be others who intend to devote their time and strength and ability, such as it is, to the public service, no matter what their office or its special work. (Cheers.) Gentlemen, depend upon it there is quite enough for a willing Minister to do. It is my sorrow that I am just now disabled for any considerable exertion. I am labouring according to the measure of my strength—should that be increased, I shall devote its increase to your service. (Cheers.) And if matters are otherwise ordered, I shall feel it my duty to resume the more private station which I never wished to quit. But I am referred to a speech in which I expressed reluctance to accept a light office, and the opinion that the salaries should bear some relation to the duties. I did express that reluctance; I did hold that opinion; I entertain that reluctance and hold that opinion still; and I have already stated the circumstances which overcame my disinclination. But, sir, when, at the proper time, on the occasion of the readjustment of salaries in 1873, while these gentlemen were in power, an effort was made in this direction, they objected. (Hear, hear.) They pointed out the difficulties—and I confess they are serious—and Mr. Mackenzie, who made the suggestion, thereupon withdrew it, and the proposals of the late Government were adopted without division. There is not, under these circumstances, any reasonable ground for the belief that a change is feasible.

It is extremely painful to me, even in answer to personal charges, to make any reference to my personal affairs; but as I am in effect accused of sordid and improper conduct in drawing the salary of my office, I think I ought to add that ever since I entered the Government I have continued to maintain my family out of my private means, and have devoted every shilling of my official salary to those extra expenses and disbursements incidental to my public and official position; and this course I intend to pursue while I remain in office. (Cheers.)

No Craven Appeals for Office.

If it be indeed true, as has been said, that in the late change I have dug my political grave, I can only say, gentlemen, that I am quite ready for my end; I am not over-anxious for a longer life, and I am prepared to meet your verdict, whatever it may be, with decent composure, and even with modest cheerfulness. I make no frantic appeals, I urge no personal grounds, for a continuance, such as I observe are now being made by our opponents for a restoration of public confidence. You know that I have never asked any man's vote as a favour; that I have sought to impress on you that your vote is a high trust which you are bound to exercise in support of the man whom you believe in your conscience to be best fitted to discharge the important duty of a representative of the people. You know that, without presuming myself to institute comparisons between the competing candidates, it was on this ground that I first approached you; it was on this ground that you requested me to become your member for the Commons; and it is on this ground, and this ground alone, that I shall ever meet you. (Loud cheers.) It is not to-day, after ten years of service as your representative, that I shall base a claim to your confidence on any poor professions of what I may do in the future—still less on any arrogant assertions that I have accomplished much in the past. I know but too well how weak, how faltering, how defective has been my discharge of the duties you have imposed on me. Yet, if on the whole you have found me diligent; if you have found me honest; if you have found the general tenor of my public conduct such as you thought best calculated to promote the public good,—on these grounds, if on any, I shall challenge a continuance of that confidence with which you have so far honoured me; nor do I believe that I shall challenge it in vain. (Prolonged cheers.) And what I say to you as the representative of this Riding I say to the people of Canada as a member of this Government: that no more shall we as a Government than I as your representative imitate those frantic appeals to which I have referred. Our record is before you. When attacked, it is our duty to explain; when complaints are made, it is our duty to answer them. You are to judge for yourselves; it is not our affair, it is yours. (Loud cheers.) Choose whom you will to serve you, and we shall acquiesce—whatever may be our opinion as to the relative claims of ourselves and our opponents—we shall cheerfully acquiesce in your decision, even though it should relieve us from the very great responsibilities which beset the government of Canada. We are not here to press for a continuance of office, but to render an account of our stewardship—to state what we have done, to refute the accusations made against us, to discuss the policy of our opponents, and to leave to you, without a single word of entreaty or of pressure, the free decision as to whether the confidence which has been extended to us shall still be continued. (Loud cheers.)

The Goderich Harbour "Job."

Sir, I believe it would be preposterous for me in this Riding to refer at any great length to what is called the Goderich Harbour affair. (Hear, hear.) I observe that one of my opponents at a public meeting has misquoted a letter of mine by leaving out an important word. Another has garbled that letter by underlining a word, in order to give it some sinister meaning. I leave it to you to apply the fit epithet to such conduct. It is true that on the 2nd of January, 1874, I wrote a private note to Mr. Mackenzie in these words:—

"TORONTO, January 2nd, 1874.

"MY DEAR MACKENZIE,—David Moore, of Walkerton, asks me to inform you that he is about to tender for the Goderich works, and I do so accordingly. I told my friend Moore that an introduction was unnecessary, as you would let the work fairly without respect of persons."

(Loud cheers.) Well, I fancy that a good many of you who hear me to-day have heard me say just the same thing at meetings in this Riding. (Hear, hear.) That is just the doctrine I have been preaching to you for the last ten years with reference to the letting of contracts for public works. (Hear, hear, and cheers.) Before I made my statement in the House, the leader of the Opposition, though, most illogically as it seemed to me, co-operating in the imputation of corruption on Mr. Mackenzie, used as to myself these words :—

"The letter written by the hon. the Minister of Justice was highly creditable to him—it was a letter which Mr. Moore had a right to ask from him. Mr. Moore supported the hon. Minister of Justice as a candidate for North Bruce in 1867. He was, therefore, a friend of the hon. gentleman, and had a right to receive a letter stating all the hon. gentleman could honestly state. The hon. the Minister of Justice was not in any way personally responsible for the loss of those $29,000 to the country."

Well, sir, I could, if I had chosen, have said something in favour of Mr. Moore, but you will observe that, in fact, I said nothing in his favour, and merely stated to him and to Mr. Mackenzie my understanding of the rule in operation, which precluded favouritism ; but I prefer on this occasion simply to read you the correct report of what I said in the House of Commons, so that my own constituents shall have precisely the same account of the matter which I gave my fellow-members and the country. Here it is :—

"Mr. Blake said he would confine himself entirely to the personal matter. He desired to state to the House his political relations with the persons who were interested in the contract—the only test remaining to be applied to the case. The persons who were interested in the contract were Messrs. Moore, Clendenning, and Wilson, of Walkerton. It was true that in the general election of 1867, when he stood for the Local Legislature in that constituency, he received the support of a very considerable number of gentlemen who had formerly belonged and professed to still belong to the Conservative party. Upon that occasion he was elected by a very narrow majority, and the Liberal candidate for the Commons was defeated by 150 votes, a Conservative being elected to that House. The vote was, therefore, in his case not wholly a party one. Among the gentlemen who gave him their support on that occasion were Messrs. Moore, Clendenning and Wilson, all gentlemen belonging to, and not altogether without note in, the ranks of the Conservative party. On the next occasion on which he stood for the Riding, viz., at the general election of 1871, Mr. Moore voted for, and Messrs. Clendenning and Wilson against him. The next election in that Riding in which he was concerned was in the fall of 1871, upon his accepting office, when he was elected by acclamation. The next election was the general election in 1872, upon which occasion Mr. Moore voted for him, while Mr. Clendenning and Mr. Wilson did not vote. The next election was in the fall of 1873, upon his resignation on again accepting office, at which time he was elected by acclamation. The next election was in January, 1874, shortly after the letter, to which reference had been made, was written, when Mr. Moore voted for, Mr. Clendenning voted against him, and Mr. Wilson did not vote. Mr. Moore told him that he and Clendenning and Wilson were about to tender for the work, and he (Mr. Blake) told him what was said in the letter. He was not influenced by the circumstance that Mr. Moore was a political friend. He knew that the whole of those persons were respectable citizens of his county, and he did not conceive that the question of a man's political relation to his member or to the Government ought in the slightest degree to affect his having every fair consideration with reference to the letting of contracts. Upon that principle he acted. Mr. Moore having been the person who came to him, he wrote the letter for him. Had Mr. Clendenning, Mr. Wilson, or Mr. Tolton come to him, he would have done just the same thing. He was content that any letter he had written, or any expression that he had used, with reference to the letting of any contract from the time he might be supposed to have any influence in such matters, should be made public, and it would be found that they had all been after the same fashion. He was convinced that his hon. friend (Mr. Mackenzie) would let this and all other contracts fairly, without respect to persons. He told Mr. Moore that he might depend on that, and nothing more; and he told his honourable friend precisely what he told Mr. Moore, so that he might understand, as distinctly as Mr. Moore and his partners, that his (Mr. Blake's) opinion was that contracts should be let fairly, without respect to persons. That was the last communication he had with any person in regard to this subject. He knew nothing more about it. He observed that the Order in Council awarding the work to Mr. Ellis was made upon the 13th February, ten days after the time he left the Government. Neither by letter nor by word of mouth had he any other communication with any person on this subject. Either this letter and the hon. gentleman's (Mr. Farrow's) insinuations were relevant, or they were not. He was glad to notice that the insinuations in which the hon. gentleman had indulged had, in effect, been repudiated by the hon. member for Kingston (Sir John A. Macdonald). The hon. gentleman introduced this letter for the purpose of supporting his argument. Inasmuch as that insinuation had been made, he thought fit to make this short, simple, plain statement of the facts. He saw that the hon. gentleman, by the course he had adopted, was endeavouring to induce the House to vote him guilty of some unworthy conduct ; and with this statement he would leave the matter in the hands of the House."

What I said then I say to you now, and so far as I am personally concerned I place the matter in your hands. Had Mr. Mackenzie been here I should have left to him the refutation of the charge made against him, that he let this contract corruptly, but as he is absent I ought perhaps shortly to refer to that charge. It is pointed out that the lowest tenderer was passed over, and it is alleged that this was done corruptly in order to favour Moore & Co. The only ground for supposing that Mr. Mackenzie would be disposed to favour these persons is my letter ; and yet, that letter is acknowledged to be quite a proper letter, and not, therefore, such as to lead Mr. Mackenzie to commit a great wrong. But it is said that the fact that the lowest tenderer was passed over is evidence of corruption. Mr. Mackenzie has answered this by showing that in scores of cases, involving millions of dollars, his accusers themselves passed over the lowest tenderers. But they reply, resorting to the curious argument I touched on a while ago, "That has nothing to do with it. You are only making the pot clean by proving the kettle black." "No," says Mr. Mackenzie, "I don't say that this proves the kettle black. I say simply, that it proves that your inference of corruption from the passing over of the lowest tender is a false and fallacious inference. If, indeed, you tell me that in these cases of yours you were corrupt, the condition of things is changed ; but so long as you say you acted fairly, so long you are not in a position to draw the suggested inference from the simple facts brought out." But Mr. Mackenzie points out further, by the memorandum of Mr. Page, the Chief Engineer, that the action taken was on the advice of that officer, and on the ground, among others, that the tender was too low—a ground which formed the sole basis of like action in several cases by the late Government. But yet again, when the lowest tenderers were passed over, it was not in favour of Moore & Co., but of one Ellis, to whom, though only $300 or $400 lower than Moore & Co., the Minister recommended the giving of the contract. It was actually awarded to Ellis ; and it was only because it appeared that Ellis had left the country, and he did not come forward to accept, that the contract ultimately fell to Moore & Co. These facts of themselves rebut all inference of corrupt intent. The charge against Mr.

Mackenzie for his action after I had ceased to be a member of the Government is therefore as baseless as the charge against me for my action in writing the January letter, which was my only concern with the matter; and if I were disposed to offer advice to those who have been engaged in disseminating these attacks through the country, it would be that they should search for some more plausible subject of complaint, for I am sure that the reiteration of these stale and exploded calumnies is calculated to disgust all intelligent and right-thinking men of whatever party. (Cheers.)

The Late Chancellor Blake—The Attack of an "Abandoned Man."

I wish I could pause here; but, not content with assailing me, my opponents have attacked the dead; my father's ashes have been disturbed in a vain attempt to injure my reputation, and a more successful effort to wound my feelings. I cannot describe to you the loathing and repugnance I entertain for the race of slanderers, of whom it has been well written that—

> "They that most impute a crime
> Are pronest to it, and impute themselves,
> Wanting the mental range; or low desire
> Not to feel lowest makes them level all;
> Yea, they would pare the mountain to the plain
> To leave an equal baseness; and if they find
> Some stain or blemish in a name of note,
> Not grieving that their greatest are so small,
> Inflate themselves with some insane delight,
> And judge all nature from her feet of clay,
> Without the will to lift their eyes and see
> Her Godlike head, crowned with spiritual fire,
> And touching other worlds."

(Cheers.) By one of these, speaking near this place, my father was lately charged with having acted dishonourably in accepting the Chancellorship of Upper Canada. I shall not attempt to give in my own words the history of what ensued after Mr. Baldwin's Chancery Act was passed by the Government in which my father was Solicitor-General, though not of the Cabinet. I prefer to read you this account, published some years ago by a person conversant with the facts:—

> "When the measure became law, the question came who should be appointed to the seats on the Bench which had been created. There was but one answer in the profession. Mr. Blake was universally pointed out as the person best fitted for the post of Chancellor. It required considerable persuasion on the part of his colleagues to induce Mr. Blake to accept the appointment. He desired to remain in public life; his emoluments at the Bar were far greater than they would be on the Bench, and he would have much preferred to remain at the Bar for some years longer. But the pressure of his friends was greater than he could resist, and on 30th September, 1849, he accepted the Chancellorship. There were not wanting political opponents who declared that Mr. Blake had created the office that he might fill it, but all who knew the man and the position in which he stood were aware that it was with extreme reluctance he accepted the place. As his great judicial talents came to be recognized the voice of the slanderer ceased, and the services which he rendered on the Bench will, we doubt not, be now heartily acknowledged by all parties."

No doubt, sir, the writer thought, but he erred in thinking, that the voice of the slanderer had ceased. My father, after having, with the assistance of his brother judges, organized the Court, created an improved practice and procedure, and applied the principles of equity to the conditions of this country, was obliged to retire through illness, induced by over exertion in his office. Great further improvements have been made by his distinguished successors and by legislation; and the Court has thus, notwithstanding the attacks of one individual, acquired a high standing amongst us, flowing from a wide-spread conviction of its utility. (Hear, hear.) But my father is charged with impropriety in bringing up his sons to the profession of the law, with the probability of their practising in the Court of which he was a member; and I and my brother, who now fills a seat in that Court, are charged with indelicacy and obliquity of moral vision in practising there. Sir, I am acquainted with the career of our accuser. I know well the high sense of propriety and delicacy, and the exquisite rectitude of moral vision, which have for a long course of years distinguished him from ordinary men like ourselves. (Laughter.) We stand, I quite agree, on entirely different levels, and view these matters from entirely different standpoints. (Hear, hear.) I make no pretension to act on his principles; I altogether decline to accept his judgment on any question of propriety, delicacy, or moral vision; and I appeal with confidence to that of my fellow-countrymen, and to the examples of the illustrious persons whom I am about to name. (Cheers.) Why, sir, it has been the rule rather than the exception that sons of Upper Canadian judges should be brought up to the law, and should practise in the Courts of which their fathers were members. Three sons of Chief Justice Robinson were so brought up and so practised; two sons of Chief Justice McLean; two sons of Chief Justice Draper; and a son of Chief Justice Hagarty, of Vice-Chancellor Esten, of Judge Jones, and of Judge Galt. And is the honour of these eminent men, who all belonged when in political life to the ranks of my opponents—is their honour and that of their children to be besmirched for taking the course which they followed in common with ourselves? For by the same standard which is set up for my father and his sons they, too, must stand or fall. (Hear, hear, and cheers.) I say it is perfectly preposterous to impute wrong to him for bringing his sons up to, or to his sons for following, their father's profession. But it was also insinuated that our success at the Bar was due to a notion on the part of suitors that we would be favoured by the judge. For myself, sir, I would not say a syllable in reply to such a charge; but in the name of him who is gone I have to denounce these as outrageous calumnies, which I believe the common voice of the Canadian people will condemn. (Hear, hear, and loud cheers.) As a fact, I may observe that my father was absent through illness during the bulk of the time between my admission and his resignation. I don't believe my brother ever appeared before him. I did sometimes, though, as it happened, not very frequently; but whatever

measure of success we may have attained was due entirely to other causes, and by no means to any such unworthy suspicion of the honour and integrity of the first Chancellor of Upper Canada as has been so cruelly cast upon it by an abandoned man. (Prolonged cheers.) When, after a long period of suffering, my father died, a martyr to his work, his children, humbly recognizing his failings towards his God, yet placed upon his tomb, as expressive of his relations to his brother men, these words:—

——" Through all this tract of years
Wearing the white flower of a blameless life"

And now, sir, now, when seven years are nearly passed, I find that the voice of the slanderer has not yet ceased, and that we might more fitly have recorded there these other words:—

" Now is done thy long day's work;
Fold thy palms across thy breast;
Fold thine arms; turn to thy rest;
Let them rave.
Shadows of the silver birk
Sweep the green that folds thy grave.
Let them rave.

" Thou wi't not turn upon thy bed·
Chaunteth not the brooding bee
Sweeter tones than calumny?
Let them rave.
Thou wilt never raise thine head
From the green that folds thy grave.
Let them rave.

" Wild words wander here and there;
God's great gift of speech abused,
Makes thy memory confused.
But let them rave.
The balm-cricket carols clear
In the green that folds thy grave.
Let them rave."

Mr. Chairman, I have done. The reputation of William Hume Blake is not my individual inheritance; its defence should not be my especial care. It is the common property of his fellow-countrymen, and they should prize it highly and guard it well. (Loud cheers.) I know, past all doubting, that to them I may confidently commit the vindication of him whose memory I hold dearest upon earth, and whose bright example of active, fervent devotion to the cause of freedom, truth and justice, of indomitable perseverance in the thorny path of duty, it has been my earnest aim to follow, with steps however unequal, and at a distance however great. (Loud and long continued cheers.)

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THE PORT ELGIN DEMONSTRATION

TUESDAY, SEPTEMBER 25th.

The season's Demonstrations to the Reform Leaders closed at Port Elgin, the hearty reception accorded and complete arrangements made being alike creditable to the Reformers of North Bruce, as they must have been gratifying to the hon. gentlemen thus honoured. Upon the arrival of the train bearing the Ministerial party at the station, an Address of welcome was read to the Hon. Messrs. Mackenzie and Mowat by the Reeve of the village, Mr. Henry Hilker, and subsequently the President of the Reform Association, Mr. James Rowan, presented Addresses to the members of both Governments from the Reformers of the Riding. The speakers of the day were Hon. Mr. Cartwright, Hon. Mr. Huntington, Hon. Mr. Mowat, and Hon. Mr. Hardy, besides whom J. Gillies, M.P., Isaac Bowman, M.P., and D. Sinclair, M.P.P., were on the platform.

HON. MR. CARTWRIGHT'S SPEECH.

Hon. Mr. CARTWRIGHT was received with loud cheers. After some preliminary remarks he said :—Now, Mr. Chairman, there are three gentlemen to whom I am specially desirous of paying my respects.

An Unholy Trinity.

These gentlemen differ somewhat in rank ; they also differ rather widely in point of ability, and (though to a much smaller extent) in moral excellence. (Hear, and laughter.) But they have one thing in common ; they are all bound together by one holy bond of union—they hate the present Administration most cordially. One of them is in the habit of declaring that he is perpetually in danger of being mistaken for a prince of the blood, and modestly insinuates that it is no great wonder if he is, while his partisans assert that he is cheered upon all occasions like the Queen herself. (Hear, and laughter.)

The Prince.

Him therefore we may fairly distinguish as " The Prince."

The Peer.

The second is a member of the Senate of the Dominion, and as he is known to hold the opinion that that august body is fully entitled to all the rights and privileges which appertain to the British House of Lords, we will describe him as " The Peer."

The Commoner.

The third is a much more humble individual, being only a simple member of the House of Commons like myself, so we will dub him " The Commoner," which will give us Prince, Peer, and Commoner to deal with in due rotation. (Hear, hear, and laughter.) As a matter of course, by all laws of heraldry we must give due precedence to the Prince. You know that Shakespeare advises us to have

> " Respect for his great place, and let the devil
> Be sometimes honoured on his burning throne."

King John and Prince John.

Now, as perhaps you are aware, our Prince is called John, a title not unsuggestive to students of English history—

> " Once in name
> England enjoyed a king almost the same."

And the resemblance is by no means a superficial one. (Hear, hear.) Not to speak of divers similar peculiarities of character, you will remember that the good King John, under circumstances of a rather peculiar nature, was graciously pleased to become the author of Magna Charta, the great bulwark and foundation of English liberty. Our Prince John for very similar reasons was also graciously pleased to become the author of our Canadian Confederation ; and just as King John and his friends were in after days wont to take great credit for the princely generosity and love of his subjects' welfare which moved the royal heart on that occasion, so I see that Prince John claims the never-dying gratitude of the people of Canada for his share in Confederation, with equally good reason. (Hear, hear, and laughter.) Some people do say that King John only signed Magna Charta to keep his place, and that Prince John was actuated by much the same motives, but they are probably pestilent Grits of earlier or later date ; and anyhow the great fact remains that King John signed Magna Charta and Prince John signed the draft (very badly worded) of the Confederation Act. (Hear, and laughter.) But I will find you a closer parallel. Our prince has kindred traits with some of the royal personages of the Georgian era. But we must go back a little further to find a true match for him.

Startling Question.

Now, I have had the question put to me more than once by men of no ordinary intelligence, "How, in Heaven's name, does Sir John A. Macdonald contrive to keep even a vestige of popularity with his followers? Had any of you committed acts one-hundredth part as shameful as those proved against him out of his own mouth, your own friends would have been the first to denounce you. How do you explain this phenomenon?"

How Answered.

Gentlemen, the question is one of much moment, and it is one which is best answered by another. Once upon a time we had a line of princes upon the English throne of whom history has very little good to record. They were dishonest. They were profligate. They were mean. They were cruel. They were false. They were ungrateful—even beyond the usual princely wont. They were, in one word, if stripped of the false glamour which the genius of the great Wizard of the North has cast about their name, about as bad a lot as ever reigned. And yet neither Tudor nor Plantagenet, nor any one of all the dauntless monarchs whose names will live as long as the English tongue endures, ever seem to have elicited a tithe of the loyalty, a tithe of the generous devotion which were lavished for generations on the representatives of that worthless race. Was this mere human perversity?

False Idols.

Is it a law of nature that the falser the idol the greater the infatuation of the blind worshippers thereof? I cannot say, but that is the fact, proved on many a bloody field and bloodier scaffold; and looking back to those bygone days, one is in no small danger of more than half forgetting the utter worthlessness of the princes in our admiration for the blind but gallant loyalty of the subjects. The case is much the same just now; and while we may pity the infatuation, we must to some extent admire the devotion of some of Sir John A. Macdonald's supporters. Really I am half inclined to think there is more in this than is dreamt of in our philosophy.

Sir John's Claims to "Princely Honours."

I hope it will not be set down as another proof of my irredeemable "brutality"—if it is, I apologize in advance—but perhaps Sir John's claim to princely honours is better founded than some of us may imagine. (Hear, hear, and laughter.) Unless old chronicles lie as much as some modern newspapers, King Charles of sacred and merry memory, and some of his relatives, led a very wild life in the Highlands, and perhaps our chieftain, if the truth were known, may have some hereditary title to plunder the people by right divine, after all. (Laughter and cheers.)

Epitaph for Sir John.

Anyhow, the resemblance here is very close indeed, and Rochester's famous epitaph—

"Here lies our mutton-eating king,
Whose word no man relies on;
He never said a foolish thing,
He never did a wise one"—

might suit John A. with very little alteration. (Hear, hear, and laughter.)

Mr. Cartwright's Misfortune.

Now, it is my special misfortune to have incurred the royal displeasure in a very marked degree. No doubt my crimes have been great. I have failed to recognize the royal privileges. I have questioned the royal prerogative to apply the public funds at the royal pleasure. I have denied the royal right to tell fibs when it suited the royal convenience, or to levy forced benevolences for the royal benefit, and for all these offences the royal wrath has descended on my head in no stinted measure. (Hear, hear, and laughter.) Four years ago the royal self did me the honour to pay a special visit to my constituency, with results, I have been told, not exactly satisfactory to the royal mind. Subsequently (I proving contumacious), the Royal Grand Vizier, in the person of Dr. Tupper, was specially commissioned to bring me to reason, or annihilate me. (Laughter.) Well, perhaps bringing anybody to reason is not exactly Dr. Tupper's forte —(hear, hear, and a laugh)—but if we are to believe the *Mail*, Dr. Tupper has been quite successful in utterly annihilating me, not once, but many times over. Then, not content with this, the royal scribes—to wit, Messrs. Patteson, of the *Mail*, and Thomas White, Jr., of the *Gazette*—have hung, drawn, quartered and burnt me in effigy—on paper—on an average once a week for a considerable period, and more recently—not to speak of a terrific onslaught by Lord High Treasurer Macpherson, of which more anon—we have had the royal self again making a pilgrimage to Napanee, and there striking terror into my disloyal soul at the head of a right royal retinue of one and thirty waggons—including buggies. (Laughter and cheers.)

Goliath Macpherson.

And now, gentlemen, descending (a long way) from prince to peer, this reminds me that I have something to say of our sapient and ponderous friend, Mr. Senator Macpherson. Mr. Macpherson, though his name is David, seems disposed to figure as a sort of Opposition Goliath. (Hear, hear, and laughter.)

Lord Bacon on Tall Men.

I am not aware whether Mr. Macpherson is a man of extensive reading, though I can certify that if he has ever read the Public Accounts of this Dominion he has signally failed to understand them; but I presume he has heard of Lord Bacon, and it might have been worth his while to peruse a certain famous saying of that nobleman, wherein Lord Bacon, who was a very shrewd observer of men and things, has left it on record that "it is commonly noted of tall

men, as of tall houses, that the upper story is not unfrequently the worst furnished." (Laughter.) However that may be, Mr. Macpherson, neither regarding Lord Bacon nor yet the patriarch Job, has written a book, or perhaps I should say has caused a book to be written. (Laughter.)

Merits of Mr. Macpherson's Book.

This book has two merits. It is well printed. It is also a most capital illustration of the profound wisdom of that provision of our Constitution which makes Senators incapable (*quoad* Senators) of dealing with questions of trade or finance.

His Own Merits.

Now, I am quite ready to admit that up to a recent period I have always looked upon Mr. Macpherson as a pompous but highly respectable sort of Philistine. (Hear, hear, and a laugh.) I knew he had not done much except that once on a time he exchanged a charter for a fat contract, and bought a Senatorship with part of the proceeds, but nobody, as far as I was aware, ever questioned his general respectability.

Position Altered.

I am very sorry to say that the revelations made before the Northern Railway Committee have very seriously altered all this, and that henceforward Mr. Macpherson must stand on a much lower level in the eyes of all honest and intelligent men. (Hear, hear.) I see that Mr. Macpherson has had the effrontery in his place in the Senate to declare that he did no wrong in taking money from the Northern Railway for Sir John's testimonial. He, a Senator of this Dominion, a member of the Legislature which passed the very law which declares in the most express terms that it shall be the duty of the Managers of the Northern Railway to pay to the people of Canada every penny they earn, after defraying the interest on certain bonds and paying their legitimate working expenses, can see no harm in this Company, whose interests were openly and notoriously in direct antagonism to the people's, taking this money, which did not by law belong to them at all, and therewith subsidizing the chief agent of the people of Canada—the very man of all others whose sworn duty it was to see that the Northern Railway obeyed the law and paid the just balance of its earnings into the public treasury! (Hear, hear.) Two trustees combine together to plunder their ward for the benefit of that ward's lawyer, and one trustee publicly declares that it is all right!

Probable Fate Elsewhere.

Well, I will only say that there are many countries in which Mr. Cumberland and Mr. Macpherson, if they had been proved guilty of such acts as they have publicly admitted themselves to have committed, would have had an opportunity of reconsidering their views as to the relations of *meum* and *tuum* throughout a period of enforced seclusion of considerable duration. (Hear, hear.)

Attitude Here.

Here these gentlemen blossom into political moralists of an especially rigid type. They mourn over the degradation of our politics. They regret that they have been disappointed in the present Ministry. They, speaking from a lofty moral standpoint, exhort their countrymen to select more honourable men as their leaders. They tacitly offer themselves as apt examples, and indeed Mr. Macpherson may perhaps be able to inculcate one useful moral lesson if he will only teach his hearers not to do as he has done. (Laughter.)

Why deal Severely.

You may ask why I treat this matter so severely. I do so because I know best how great is the mischief these men have done. If there is one thing more than another which will damage the credit of Canada abroad, it is such proceedings as these. My official duties compel me more than most men to understand how gravely these revelations affect our standing on the Stock Exchange and in Downing-street, and I can assure you that the mischief is incalculable. As a mere matter of business, I had rather the half million of dollars we so narrowly escaped losing in this transaction had been flung into the sea than that prominent capitalists in London and men in high office in the Imperial Cabinet should have become familiarly acquainted with these shameful details. (Hear, hear.)

Demoralization of the Opposition.

I say nothing of the demoralization of the Opposition themselves. So far I have not seen one Opposition newspaper, I have not heard one Opposition speaker, venture to censure conduct which they know to be inexcusable. (Hear, hear.) They may indeed murmur among themselves, and express a not unreasonable opinion that as Mr. Macpherson got them into this extremely awkward scrape he ought at least to have refunded the money when he was found out, but that is about the highest flight of virtue of which they are capable.

Why Notice Pamphlet?

To return, however, to the pamphlet itself. Under ordinary circumstances, I should not have deemed this worth formal notice. The errors it contains are so gross, the malicious intention is so plain, that I would have left it to work its own cure, which it would soon have done in the minds of all intelligent men. But I find that this precious document is being used as a regular campaign missile; that it has been circulated broadcast through the country; that the responsible leaders of the Opposition quote it in every public utterance; that the Opposition press clamour for an answer; and, in fine, that there is some danger that the more ignorant and careless of our population may be deceived by a pretentious publication like this, coming as it does from a member of the Senate, who is also a recognized leader of Her Majesty's loyal Oppo-

sition in that body, and, as I am informed, considered by many of the said Opposition as an authority on matters of finance only second to that distinguished political economist, Mr. Senator Read, of Belleville. (Hear, hear, and laughter.) I say, these considerations, and not its intrinsic merit, alone warrant me in taking up your time to-day by discussing it.

Its Whole Object.

I may say briefly that its whole pith and substance consists in a deliberate attempt to saddle us with the result of our predecessors' sins. Under a thin pretence of impartiality, utterly contradicted by fact and by every line of the venomous preface which forms the introduction, there is but one end and one object kept steadily in view, and that is, by dint of much speaking, or more properly, of much tabulation, so to muddle and confuse the ordinary reader as to make him believe that we have done what we accused Sir John A. Macdonald of doing—that he might be bad, but that we were worse than he was. Now, all this has been answered, and all these fallacies have been exposed again and again. Mr. Macpherson's speech was replied to most ably and conclusively on the spot by Mr. Scott in the Senate. The whole general scope of his argument was disproved in detail by myself at Newmarket and elsewhere, but still, for surety sake, I propose to-day to point out to you a few of the grossest and worst blunders contained in this pamphlet, and thereafter to give you in brief outline such facts and proofs as will, I think, fully satisfy you of the utter and absurd falsity of the accusations levelled at us, on the score of extravagance, at least. (Hear, hear, and cheers.)

Fundamental Error.

The fundamental error of alleging that the present Government are, or can by any possibility be, justly held responsible for two-thirds of the expenditure incurred in the fiscal year 1873-4, simply because they took office on the 7th November in that year, I have already exposed; and were it not that I see that this foolish and dishonest assertion is continually repeated by Dr. Tupper, by Senator Macpherson, by Mr. McCarthy, and, in fact, by every Opposition speaker and paper, I would not waste another word upon the subject. As it is, I may remind you that the vast bulk of the total outlay in this, or indeed in any ordinary year, is always fixed in advance, long before the expenditure itself is actually incurred. The items over which any Government, taking office in the middle of any given year, can exercise control, are very few indeed. In our own case we took office, as I have said, on the 7th of November, 1873. Immediately thereafter we were occupied with our own individual elections, which were scarcely over before the dissolution and general election of 1874. Following almost instantaneously upon this came the session of Parliament, commencing in March and terminating in June, within a few days of the close of the fiscal year.

Question for Critics.

Now, I put this plain question to you and to our critics:—What would you have had us do? Obviously, under the circumstances I have detailed, it would have been utterly impossible to make a thorough or careful examination of the several items of expenditure actually in progress. It is equally obvious that to have ordered the stoppage of any public works or contracts then in progress, or to have interfered materially with existing arrangements without a thorough and careful examination, would have been a most improper and arbitrary act upon our part. Every man possessing the least experience in public affairs must know that the year's outlay necessarily went on as previously arranged by our predecessors, and that it is as absurd as it is dishonest to attempt to hold us responsible for expenditure contracted under estimates we had not prepared, or by virtue of contracts formally completed before we took office. (Hear, hear.)

Blunder No. 1.

But letting this pass, I proceed to deal with a series of very grave misstatements which I find contained in Mr. Macpherson's pamphlet; and first, I observe that Mr. Macpherson, on the 61st page thereof, and elsewhere, makes the following statement:—

"This shows that Mr. Tilley had brought down supplementary estimates, the items in which, and in Acts of Parliament, made the increased expenditure of the session of 1873 amount to \$1,542,000, according to Mr. Tilley. And, to show that that amount was substantially correct, I shall quote the following words from Mr. Cartwright's budget speech of 1874:—'The legislation of last session added over \$1,500,000 to the fixed charges of the country.'"

On page 31 he says:—

"Then the legislation to which I have just referred was passed, and the expenditure for the year under the Acts of Parliament and by supplementary estimates was authorized to be increased (according to Mr. Tilley) by \$1,542,000, making the *total estimates for that year* \$22,483,183! The Senate will thus see that the Government of that day provided for the additional expenditure ordered by Parliament in the session of 1873. Mr. Tilley evidently supposed he was making ample provision for all requirements."

As also on page 38, in two places, where he says expressly:

"Mr. Cartwright stated the additional amount at \$1,500,000."

Now, the assertion that I stated that a sum of \$1,500,000 would cover the whole additions made by Mr. Tilley is utterly and entirely incorrect. What I did say was a wholly different thing, and Mr. Macpherson has fallen into this very absurd error by confounding the statement that Mr. Tilley had added \$1,500,000 to the "fixed" annual expenditure, which is quite correct, with the equally correct but quite different statement that the true estimate should have been \$1,500,000 over the ascertained estimate prepared for Mr. Tilley by the officers of his own Department, and which, properly enough, only included those items which could be determined with reasonable accuracy at the moment. Had Mr. Macpherson taken the trouble to read my budget speech of 1874, from which he professes to quote, he would have seen this whole subject

fully discussed in detail on pages 10 and 11, in which I show that Mr. Tilley's estimate for the year 1873-4 ought to have been some $24,100,000, being an excess in round numbers of nearly $4,000,000 on the estimate of the preceding year, and $1,500,000 over his "ascertained" estimate of $22,586,000; and this is the more noteworthy because no small part of Mr. Macpherson's argument is based on this blunder. (Hear, hear.)

Blunder No. 2.

A second, and if possible still graver, misstatement of Mr. Macpherson is the declaration several times repeated that "Mr. Tilley's estimate was $22,483,183, and that it provided for all things." Let me call your special attention to this assertion. I have sat opposite to Dr. Tupper for four years, and no one who has sat opposite to Dr. Tupper for that period is likely to be easily astonished at any statement, however wild and reckless, affecting matters of finance. But the Commons from this time forth must yield the palm to the Senate, and even Dr. Tupper be content to see himself completely eclipsed by Mr. Senator Macpherson. (Hear, hear, and laughter.) I presume that Mr. Macpherson had access if he chose (and indeed he actually speaks of these documents by name) to Mr. Tilley's several estimates, as also to his budget speech, and to the Public Accounts and Dominion Statutes for 1873. These are not very recondite authorities, and yet he had only to consult them to ascertain for himself that Mr. Tilley either got or took authority to expend the following amounts in the year 1873-4 :—

1. By original estimate	$20,941,183	
2. By 1st supplementary estimate	368,340	
3. By 2nd supplementary estimate	57,300	
4. By 3rd supplementary estimate	100,000	
5. By 36 Vic., caps. 30 and 41, and New Brunswick subsidy (assumed Provincial debts)	819,349	
6. By 36 Vic., cap. 31 (provided increased salaries, &c.)	300,555	
		$22,586,727
7. By 36 Vic., cap. 40 (provided admission of P. E. Island)	418,000	
8. By 36 Vic., cap. 35 (provided organization of Mounted Police)	200,000	
9. By balances carried forward under Order in Council	480,282	
		1,098,282
(Public Accounts, 1873, page 300.)		$23,685,009

This makes in all a total of some $23,685,009 which Mr. Tilley was authorized to expend, or which (as in the case of the last item) he chose to authorize himself to expend.

Remarkable Circumstance.

And the most extraordinary part of the whole affair is that, as you will see by reference to page 31 of his pamphlet, Mr. Macpherson did actually know of the existence of all these items, except perhaps the last two; but never having read or properly studied Mr. Tilley's original estimates, he has in some bewildered and bewildering fashion muddled up Mr. Tilley's several statements, made at several different times and under various different circumstances, till he has finally landed himself in this computation of $22,483,183, quite oblivious of the fact that it could not on his own showing cover the several items he has himself enumerated, and that nowhere from first to last in Mr. Tilley's supplemental or in his original estimates will he find one word in reference to the additional expenses authorized by the Acts of Parliament, except in the one solitary item of $100,000 taken to cover contingent expenses on the admission of Prince Edward Island to the Union. (Hear, hear.) Now, this is a case of downright sheer stupidity, aggravated, however, by his obstinate refusal to accept Mr. Scott's correction made on the spot, and by the self-conceit which made him set up to be a better authority on a question of this kind than the responsible officers of Government. If Mr. Macpherson had ever read my budget speech (which he quotes), he ought to have hesitated before disputing my formal and authoritative statement, to which I have already referred, and which he might have been very sure was not made without due reference to the officers of the Department. The mistake itself, though it appears to involve a marvellous inaptitude for simple addition, is not so very bad; but made in regard to a question of such grave importance to his own argument, and persisted in after repeated warnings, it affords a very fair indication either of the care or of the capacity which Mr. Macpherson has employed in his very pretentious onslaught on the general financial administration of this Government. (Hear, hear.) As to the main point, I have further to observe that, apart from the item of election expenses, the late Government had further ordered a large expenditure to be made for coal cars and engines on the old Nova Scotia and New Brunswick railroads—that they had left us very heavy extra bills to pay for expenses incurred on the Dawson route, and on account of a whole shoal of minor items, most of which are set forth in Schedule A, brought down by us in 1874. (Hear, hear.) So far, therefore, from my statement, "that the true estimate for 1873-4 should have been $24,100,000," being an exaggeration, it was largely within the mark—how much I will not now say, as I have no wish to give these people a chance to raise a discussion on a side issue. Now, gentlemen, bear well in mind that this most random statement of Mr. Macpherson, that "Mr. Tilley's estimate was $22,483,-183, and provided for all things," is the chief corner-stone and indispensable foundation of the most important of Mr. Macpherson's so-called calculations, and you will, perhaps, be able to form some idea of the real value of the good Senator's financial lucubrations. (Hear, hear, and cheers.) The slightest intelligent consideration of Mr. Tilley's estimates would have shown him that the sum of $22,586,727 mentioned by me did not make (as I expressly stated) the smallest provision for the additional expenditure, amounting at the lowest calculation to $418,000 (over and above the special grant of $100,000), which was rendered necessary by the admission of

Prince Edward Island into the Union ; nor for the sum of $200,000, being part, and part only, of the actual disbursements incurred for the service of the Mounted Police in the North-west, which force was organized under a special Act, above cited, of that same session, passed by Mr. Tilley's colleagues, and providing in detail for the number of men, the rates of pay and allowance, and all other matters appertaining to the Mounted Police. (Hear, hear.) Now, what say you to this gross and palpable blunder, solemnly set forth by a gentleman who professes to be an authority on the question of Dominion finances ? Here we have him three-quarters of a million wrong on the vital starting point for purposes of comparison, and that, too, omitting every possible disputed item—giving him all he claims—and omitting to debit the late Government with many very considerable sums justly chargeable to them. (Hear, hear.)

Blunder No. 3.

A third and most grave misstatement is that contained in page 64 of Mr. Macpherson's pamphlet :—

"Sir F. Hincks, in 1870, showed the debt was then $22 50 per head. In 1873, Mr. Tilley said the debt per head had not increased. But in 1876 the debt had increased to $37 93 per head. The taxation (per head) had increased from $3 50 in 1879 to $5 76 in 1870. * * * Six dollars per head is now required."

Which directly implies that the present Government have increased the debt of the Dominion from $22 50 to $37 93 *per capita*, being an increase of very nearly $15 50 per head.

Plain Meaning.

This, as you will see, is the plain and obvious meaning of the paragraph I have quoted ; but if Mr. Macpherson should dispute this, if he should allege that he does not mean to imply that this Government are responsible for such increase, then I say that this paragraph is most dishonestly put. (Hear, hear.) Take, however, his apparent meaning—the meaning which has been placed upon this paragraph by all his readers, and by all the press who have discussed the subject. Our population to-day is probably quite up to 4,000,000. Mr. Macpherson alleges that we have increased the total amount of the debt by $15 50 per head ; in other words, that (discarding for the moment all question of increased population) we have added $62,000,000 to the debt of the Dominion !

Actual Fact.

How stands the fact ? Since we came into office we have borrowed in all some $40,000,000 (nominally $44,000,000), out of which we have, however, paid off old debts, or have invested at higher rates of interest fully $20,000,000, leaving a total nominal addition of $24,000,000 to the public debt, without deducting one single farthing for the natural increase of population from 1873 to 1878. What additional burden we have thereby inflicted on the people of Canada I will show you presently, and also who are the parties properly responsible for this additional indebtedness, such as it is. Meantime I may briefly say, that whereas Mr. Macpherson has either asserted or dishonestly implied that we had increased the average indebtedness at the rate of $15 50 per head, being $62,000,000 on the estimated population of 4,000,000, the actual fact is that at the very outside the debt *per capita* has increased between two and three dollars, or, in all, from ten to twelve millions (making due deduction for the increase of our population, and computing *per capita*) during our administration, and that here very literally you have eleven men in buckram grown out of two. (Hear, hear, and laughter.)

Figures from Public Accounts.

The actual figures from the Public Accounts show that we owed in gross $141,163,551 (including Dominion notes and cross accounts) on the 30th June, 1874 (without including any sums borrowed by the present Government), and possessed cash assets amounting to $32,883,586; that on the 30th June, 1876, we owed in gross $161,204,687, and possessed cash assets $36,653,-173. The gross addition to our debt, therefore, up to the 30th June, 1876, is nominally $20,043,156, and the net nominal $16 273,569, deducting the actual cash bearing investments added since 1873-4. This brings us down to the date named by Mr. Macpherson, and though we have since made another loan, the actual result is precisely what I have given you above, namely, an addition of $20,000,000 (nominally $24,000,000) to our actual debt, and an increase of from $2 to $3 *per capita.*

Blunder No. 4.

A fourth, and if possible still more absurd error, is the statement that we have increased the taxation from $3 50 to $6 per head. Now, if this were true, it would be a most serious reflection on Mr. Macpherson's own friends, inasmuch as the increased taxation imposed by us was put on solely to provide for additional expenditure incurred by them—the necessity for which they had themselves publicly admitted before they left office.

Rashness of Opposition.

But as I shall presently show you, it is not even approximately true ; and the mere fact that Mr. Macpherson should have been ill-advised enough to make, and other parties indiscreet enough to repeat, so very foolish an assertion, is perhaps one of the very best proofs I can give you of the utter recklessness with which the most unfounded charges have been scattered broadcast against this Government. I presume that Mr. Macpherson's arithmetical powers will enable him to understand that if we are now paying $2 50 per head—on a population of 4,000,000—more than we did in 1870, we are paying just $10,000,000 additional taxation (over and above the amount fairly due for our increased population) more than we did in 1870.

Troop of Errors.

This single statement contains a whole nest of blunders. The fact itself is quite misstated. The increase of our population from natural causes and the admission of new Provinces is wholly ignored. A considerable amount of interest on investments accumulated since 1870 is overlooked, as also a large amount of additional receipts not properly to be treated as taxes.

Actual Fact.

And here, again, how stands the fact? Says Mr. Macpherson, in the passage I have already quoted, "The taxation had increased from $3 50 in 1870 to $5 76 in 1876, and $6 per head is now required." Now, here there is some difficulty in ascertaining exactly what year is meant; whether the year 1869-70 or 1870-71. Both are years for which the late Government are wholly responsible, but to prevent cavil, and to give Mr. Macpherson every possible chance, I will give you the results from a comparison of both, which are briefly as follows:—In 1869-70 the estimated population was almost exactly 3,400,000, the gross revenue $15,512,225, and the average per head $4 56. The receipts from actual taxes, Customs, Stamps, and Excise were $13,087,881, and the average per head $3 85. In 1870-71 the population by census was nearly 3,500,000 souls. The gross revenue was $19,335,560, and the average per head $5 52½. The receipts from taxes $16,320,387, and the average per head $4 66. In 1877-78, the estimated population was supposed to be over 4,000,000. The gross estimated receipts are $23,400,000 (from which are to be deducted some $250,000 interest on investments not existing in 1870), giving an average per head on $23,150,000 of $5 79 nearly. The estimated tax receipts are $19,150,000, giving an average per head of $4 79. It results, therefore, that the increase per head as between 1877-78 and 1869-70 is upon gross receipts $1 23 per head; upon tax receipts proper, 94 cents per head. And as between 1877-78 and 1870-71, upon gross receipts 26½ cents per head; upon tax receipts 13 cents per head. And that Mr. Macpherson is in error as between 1869-70 and 1877-78 to the extent of $1 27 per head on a comparison of the gross receipts, or say $5,080,000 per annum; and as to the actual tax receipts to the extent of $1 56 per head, or say $6,240,000 per annum out of $10,000,000. (Hear, hear, and loud cheers.) Further, that as between 1877-78 and 1870-71 Mr. Macpherson is in error, on a comparison of the gross receipts, to the extent of $2 23½ per head, or say $8,940,000 per annum; and on comparison of the actual tax receipts, to the extent of $2 37 per head, or say $9,480,000 per annum. (Hear, hear.) I reserve comparison with the years 1871-72 and 1872-73 till a later period.

Give Mr. Macpherson his Choice.

Meantime Mr. Macpherson may take his own choice of his starting point. When the smallest possible blunder involves an error of $5,000,000 per annum, it seems hard to deny him the benefit of the doubt. (Hear, hear.) As to the further question, Who is responsible for this increase of taxation or expenditure? whether it be 94 cents or $1 23, or 13 cents per head, I shall have again a word to say before concluding my remarks.

Blunder No. 5.

The fifth error to which I will call your attention is one contained in this remarkable paragraph, page 61:—

> "The sum of two millions of dollars in Schedule A of the Supply Bill of 1874, charged against revenue, I believe was altogether for increased expenditure which the revenue did not cover, and for which the present Government is responsible."

Now, here you will see that the learned Senator commits himself pretty unreservedly to the statement that Schedule A, 1874, means the addition of $2,000,000 made by us, and for which we are directly responsible. Our Senator should remember that a little knowledge is a very dangerous thing. I presume that Mr. Macpherson has occasionally looked at the Public Accounts, but he must have read them to very little purpose when he committed himself to such a statement as this. Take the very first and largest item, one of $480,282 42, under the head of "Balances carried forward." Does Mr. Macpherson presume to say that the present Government are responsible for one penny of the expenditure here described? Had he turned to page 300 of the Public Accounts for the year 1873, he would have found that each and every one of these unexpended balances had been carried forward by Orders in Council passed by the late Government long before we entered office, and that they were, in point of fact, portions of votes obtained by them for the service of the years 1872–73, though spent in and charged to the service of 1873–74. Similarly in the case of "Unprovided items," amounting to $177,332 37, he had simply to refer to page 293 of the same Public Accounts to see with his own eyes that every penny of this money had been actually expended by the late Government prior to the 1st July, 1873; an expenditure for which, I presume, even Mr. Macpherson will hardly contend that the present Government are responsible. (Hear, hear, and cheers.) As to the expenditure of $280,000 for the services of the Mounted-Police, in conformity with the terms of the statute passed by our predecessors; for the rent of barracks in Manitoba from 1870 to 1st November, 1873; and for additional cost for maintenance of Dominion forces in Manitoba, to which, I believe, we did not add one man, I think that not even faction itself will pretend that we are accountable, any more than we are for the necessity of providing funds to finish contracts on divers public works entered into by those gentlemen; or for the cost of the funeral of Sir George Cartier, or of the Pacific Railway Commission, or of sums paid for the Indians in reference to their treaties of 1871–72; or for such increases of salaries made by the late Government, by their Order in Council of October 31st, 1873, as were carried out by us; or indeed for anything but the most insignificant portion of the $2,000,000 comprised in Schedule A, which he has seen fit to assert "were altogether for increased expenditure which the revenue did not cover, and

for which the present Government is responsible." (Hear, hear.) Now, gentlemen, I admit that Senators are constitutionally supposed to know no better, though I would be most loth to have you imagine that I do not know that the Senate contains many able men quite as well qualified as myself to discuss these questions, if only their attention was specially called to them.

Suggestion to Mr. Macpherson.

But I would most respectfully submit that it would be as well that Mr. Macpherson should in future read the Public Accounts of the Dominion before he proceeds to instruct the public at large as to the extent and nature of our transgressions in reference to the management of your finances. (Hear, hear, and cheers.)

Blunder No. 6.

Sixthly, I find that Mr. Macpherson has committed himself to the assertion that the new taxes imposed by me in 1874 only yielded the sum of $1,700,000. I do not pretend to understand the mysterious workings of the Senatorial mind; but I would like, as a matter of mere curiosity, to know how Mr. Macpherson arrives at this conclusion. Mr. Tilley's estimate of the total revenue likely to be obtained for 1873–74 amounted to $21,740,000. Adding $260,000, which was about the sum we received from Prince Edward Island, we will have a total of $22,000,000, the probable receipts of 1874 under Mr. Tilley's tariff. Now, there is no ground whatever for believing that, except for the alterations introduced by me, and the large amount of duty paid in anticipation of the change of tariff, the revenue for 1873-4 would have exceeded Mr. Tilley's expectations. The actual importations for 1872-3 amounted to $127,514,494. The actual importations for 1873-4 were $127,404,169. Our actual receipts in the year 1874-5, when my tariff was in complete operation, amounted to $24,648,715, without taking into account the well-known fact that from $500,000 to $600,000 of duties properly belonging to 1874-5 had been paid in toward the close of 1873-4 in anticipation. But if this is not sufficient, let us take the actual receipts from customs and excise in the year 1872-3, which amounted on a gross importation of $127,500,000 to the sum of $17,414,845; while in 1874-5 our customs and excise yielded $20,420,697, on an importation of $119,618,657, although, as I have said, a very large sum properly due to 1874-5 had been anticipated—a sum, I may observe, very much in excess of our total receipts from Prince Edward Island. The fact I believe to be that even in 1875-76, which was, as you know, a disastrous year, we obtained about two and a half millions from our new taxes; and that in any average year we may confidently rely on receiving at least $3,000,000, more especially as, owing to the great fall in the value of staples, it is thoroughly well established that the imposition of the new duties had not in point of fact in any way reduced the consumption.

Blunder No. 7.

Seventhly, I perceive that Mr. Macpherson is continually charging us with expenses incurred under contracts for Goderich Harbour, Chantry Island, Bayfield, and many other works entered into by our predecessors. Now, I desire to protest once for all against the gross unfairness of attempting to hold us responsible for expenditure incurred in completing works actually commenced and put under contract by our predecessors. But in order that you and the public at large may understand what an enormous mass of obligations was left behind them by those gentlemen, I have here a statement of the total amount spent in public works "chargeable to income" during the three years 1874-5, 1875-6, and 1876-7. These amount respectively to $1,757,075, $1,948,941, and $1,314,000, making a total of $5,020,016. Of this expenditure about $500,000 a year consists of items which may be described as absolutely fixed, and practically out of the control of any Government, being the sums expended in keeping existing buildings in proper repair, and for arbitrations, awards, dredging, and other needful services. If, therefore, you deduct for these three years the sum of $1,500,000 of absolutely necessary charges, you have a balance of $3,520,016 to be accounted for.

Amount due Action of Late Government.

My returns show that of this sum there was expended in works actually commenced by the late Government, in 1874-5, a sum of $1,116,643; in 1875-6, a sum of $1,106,687; in 1876-7, a sum of $587,000, being a total of $2,810,330 out of $3,520,016; while we have expended in works originated by ourselves an average amount of $236,582 per annum. (Hear, hear, and cheers.) Now, I need hardly tell you that every Government—no matter how economical, no matter how desirous to reduce expenditure—must of necessity incur some outlay from time to time for the public works of such a widely-extended Dominion as ours. But I leave it in perfect confidence with you to say whether our bitterest enemy can accuse us of gross extravagance in view of an expenditure like this. (Cheers.)

Cause Why we Could Not Reduce.

Permit me to add, that it is in just such expenditures as those I enumerated above, and which were literally forced upon us by our predecessors, that you will find the reason why it was utterly impossible for us at any earlier day to reduce our ordinary expenditure within more moderate limits; a fact which I have pointed out many times in the course of my budget speeches, and which any honest and intelligent enquirer might have ascertained for himself by a very cursory examination of the ordinary estimates. (Hear, hear.)

Commonplace Mistakes.

Lastly, Mr. Chairman, anybody who chooses to analyse Mr. Macpherson's statements will find an almost unlimited quantity of commonplace blunders: as when he states on page 37 that the service of the Mounted Police began in 1874, in happy ignorance of the fact that this



force was created by an Act of Parliament passed in May. 1873, and that the whole force was organized, and its pay, numbers, and allowances were settled, long before we took office at all. Also, when, on the same page, he speaks of the Boundary Survey as having been begun in 1874, when the fact is, that it was begun several years before, and was concluded and the whole expenditure incurred some time before the close of the fiscal year 1873-4. (Hear, hear, and cheers.)

Pause in Review.

And now, Mr. Chairman, I must stop here in my review of Mr. Macpherson's errors. Human endurance is limited, and neither my voice nor your patience will permit me to go on instructing that gentleman in the very A B C of the finances of the Dominion.

Hint to Senate.

I shall only venture in all humility to suggest that if members of the Senate do feel a vocation to instruct the general public in matters of finance, it would be advisable (always supposing that Mr. Macpherson is to be regarded as a fair representative specimen) to provide in future that all individuals of that august body entertaining such intentions should be required at stated intervals to pass an examination in the simpler rules of arithmetic, in order to insure that they know, or have not forgotten, so much of the rules of division and multiplication as might prevent a repetition of the blunders to which it has to-day been my unpleasant duty to call your attention. (Hear, hear, laughter and cheers.)

Practical Facts.

Coming, however, to matters of more practical moment, I propose to lay before you a few simple facts, from which you will be able to draw your own conclusions. When we took office in 1873-4, the total population of this Dominion was estimated not to exceed three and three-quarter millions. Our present population for the year 1877-8 is estimated by the best authorities to be fully equal to four millions, the fact being that the natural increase of population in Canada is always very considerable, and, moreover, that the emigration to the United States has been all but entirely stopped since the year 1873. As it is well known that that emigration cost us previously at least 40,000 people a year, and that in spite of it the population of Canada always steadily continued to increase, there does not appear to be any possible room for doubt that the figures I have given you are rather under than over the mark. Now, I propose to show you :—

First, that the total burden of interest yearly accruing on our debts and subsidies, measured *per capita*, has hardly increased at all since we took office.

Secondly, that the amount of the debt itself, measured by the same standard, has increased very little.

Thirdly, that the total taxation per head has not increased, but, on the contrary, has materially diminished under our Administration. (Hear, hear.)

Fourthly, that taking these gentlemen on their own ground, and comparing their expenditure for their last complete year, 1872-3, with our estimated expenditure for 1877-8, and deducting those increases only which are obviously and admittedly due to the action of the late Government, we are administering the affairs of this country absolutely cheaper by about one-and one-quarter millions, and relatively cheaper, applying the *per capita* standard as proposed by themselves, by something between three and four millions per annum.

(Loud cheers.) I have to ask you, will this suffice? (Renewed cheers.)

Only one Point not Absolutely Certain.

And bear in mind that there is only one point—that of the relative population—which lacks absolute certainty. Still, apart from the reasons urged above, the fact of the increase in our population is established beyond any moral doubt, and I think that no one who travels much in Canada will deny that, whatever other manufactures may have slackened, the manufacture of the human race in this Dominion requires very little fostering or protection. (Laughter and cheers.)

Calculation.

Now, as regards my first statement, that the burden of interest annually accruing on our debt and subsidies, measured *per capita*, has hardly increased at all from 1873-4 to 1877-8, I beg to submit the following calculations :—When we took office we found that the total amount due for interest on that debt and subsidies (including, of course, the second half-year's interest on Mr. Tilley's loan) amounted to the sum of $9,657,193, which, divided by 3¾ millions, will give you as nearly as possible an average rate of $2 57½ per head. In 1877-8 the sum required for the same services amounts to $10,317,021, which in turn divided by four millions will give you a quotient of $2 58½ nearly. If you prefer to make the calculation including sinking fund and ordinary charges of management, you will find that the sum total for 1873-4, including as before the additional half-year's charge on Mr. Tilley's loan, amounted to $10,505,798, which, divided by 3¾ millions, gives some $2 80 nearly, while the charge for 1878 (deducting from it the interest which we actually receive in hard cash on sums invested since 1873, which I presume not even Mr. Macpherson will pretend can be considered as an additional burden, or as anything but a fair deduction) amounts to the total of $11,230,059, which, divided by four millions, gives a net result of $2 80 and 7½ mills per head, being, as nearly as may be, a net in-

crease of the absolute burden of our debt and subsidies at the rate of one cent per head, or five cents per family—(hear, hear)—an increase at which, I perceive, the worthy Senator professes himself "appalled." (Hear, hear, and laughter.)

Mr. Macpherson Appalled.

Possibly he is. We know that there are some persons who are "appalled" at the necessity of swallowing gnats who have no difficulty in bolting several camels, and I can only say that it would have been very much more to the purpose if Mr. Macpherson and his friends had been a little more "appalled" at the proposals introduced by the late Government in the sessions of 1872 and of 1873 under which we were committed to expenditures of many millions for canals, public buildings, and Pacific Railroads, to the assumption of the Provincial debts, to the increases of salaries, to the admission of Prince Edward Island on terms involving an enormous loss to the Dominion, and to divers other very onerous engagements which I have not now time to specify in detail. (Hear, hear.) Had Mr. Macpherson done his duty then—had he co-operated to the best of his ability with those who, like myself, were struggling with might and main to put a curb on the wanton extravagance of the late Government—I might have admitted his right to appear as a censor on the present occasion. As it is, Mr. Macpherson sat mute when he might have raised his voice with some small chance of doing good, and now he is "appalled" at the average increased burden for interest on the public debt of one cent per head. (Cheers and laughter.)

What ought to Appal us.

I must confess that I am not appalled at all at the amount of additional expenditure in this direction. What I am appalled at is the depth of ignorance displayed, not merely by himself, but by those who have been re-echoing his statements in parrot fashion from one end of this country to the other, and also at the thought that under our Constitution important measures may be decided by the votes of persons as ignorant and as prejudiced as Mr. Macpherson has shown himself to be in every page of his pamphlet, and persons too who are by law divested of all responsibility to the people of Canada. (Hear, hear, and cheers.)

How Interest Kept Down.

Should you desire to know how we have managed to keep the rate of increase so low, the explanation is simple enough. It arises partly from our success in lowering the average rate of interest by borrowing money at lower rates, and partly from the fact of the natural increase of our population to which I have referred, and also in some small degree from the firmness of the Government in insisting on such reduction in the subsidies to the Provinces as could fairly be made. (Hear, hear.)

Second Statement.

Coming to the second statement—that the absolute amount per head of our debt has been very slightly increased—it will suffice to remind you that although we have borrowed a nominal amount of forty-four millions since we came into office, yet, as we have paid off some twenty millions in the shape of the reduction of debt or of subsidies, which amounts to precisely the same thing, and have also invested a moderate amount in interest-paying securities, the actual effective addition to our public debt is barely twenty millions (nominally twenty-four millions), from which if you deduct the proportionate amount for the estimated increase of one-quarter of a million between 1873 and 1878, you will find that our effective increase does not exceed $10,-000,000, which, *per capita*, would amount to about $2 50 per head, a considerable but not by any means overpowering increase in our indebtedness, more especially as it has not been, as I have shown, accompanied by any appreciable addition to the average amount paid by way of interest and subsidy, and an amount which, even taking it at the highest possible figure, is ridiculously disproportionate to the amount of $15 43 per head, which Mr. Macpherson repeatedly implies that this Government have added to the national indebtedness. (Hear, hear, and cheers.)

Third Statement.

In the third place, I told you that the total taxation per head for which we were in any way responsible had not increased, but decreased, since we took office. Now, I entirely repudiate the idea that we can be justly held responsible for taxes which we were compelled to impose in order to meet obligations incurred in defiance of our most emphatic protests. (Hear, hear.)

Grave Financial Crime.

So far from this, I hold that it was one of the gravest crimes, financially speaking, which the late Government committed, that they deliberately and wilfully incurred vast new charges, which they well knew would result in a heavy deficit, without imposing at the same time a sufficient amount of new taxes to meet the new expenditure. (Cheers.) No rule of fiscal policy is clearer or better established than this: that if a Government allows itself to be forced into new expenditures without at the same time putting on new taxes, it deprives itself of the only safeguard which any Administration possesses against the continual pressure of its own supporters for special favours; and in our case it is very unlikely that anything like the amount of new charges which were imposed in the fatal session of 1873 could have been carried had this elementary rule of true statesmanship been adhered to. (Hear, hear.)

Actual Facts.

As it was, you will remember that in 1873-4 we found that the ascertained expenditure incurred under the acts and estimates of the late Government had run up to $23,316,316, which, divided by three and three-quarter millions, gives an average of $6 22 per head. Our estimated expenditure for the present year, 1877-8, deducting, as it is but just to do, that portion which

is derived from actual cash investments not existing in 1872-3, amounts to $23,128,000, which, divided by four millions, gives an average of $5 78 per head, being a reduction of 44 cents per head in our favour on that estimate, or nearly two millions per annum. (Cheers.) It may be observed that this statement is very unduly favourable to the late Administration, inasmuch as the expenditure actually incurred in 1873-4 was nearly $600,000 in excess of the amount recorded in the public accounts, the fact being that the whole expenditure for the Boundary Survey, amounting to $255,846 additional, had been incurred prior to the close of 1873-4, although, owing to the delay in the verification of the accounts, which were in the hands of the Imperial authorities, the money was paid and charged in the two subsequent years. Similarly, near $100,000 additional should be added to the expenditure of 1873-4 on account of the expenses incurred by the Mounted Police in that year, and charged subsequently ; as also the remaining half year's sinking fund and interest due on Mr. Tilley's loan, amounting to something like $225,000, all of which items I have omitted for the purposes of this calculation.

Fourth Statement.

Fourthly, I repeat that if you will compare the expenditure of the late Government for 1872-3 with our estimated expenditure for the present year, 1877-8, you will find that upon deducting those increases which are unmistakably due to the acts of the late Government, our total expenditure is very nearly 1¼ million less than their expenditure for 1872-3, and our relative expenditure, taking the *per capita* standard, between three and four millions less than theirs. (Loud cheers.) On turning to the public accounts, you will perceive that in the year 1872-3 the total expenditure amounted to $19,174,647. Now, our estimated population in that year, which, bear in mind, was prior to the admission of Prince Edward Island, amounted to 3,600,000 souls, and our expenditure per head was therefore, as nearly as may be, $5 32½. Now, if you will take our estimates for the current year, 1877-8, you will find that the total amount that we demanded for all services was $23,378,000, of which some $250,000 formed a cross entry represented by interest on investments made since 1872-3, leaving an estimated amount—to be provided by taxes of one kind or other—of $23,128,000, showing a difference between the ascertained expenditure of 1873 and the estimated expenditure for 1877-8 of $3,953,353. Since 1872-3 our ordinary expenditure has been increased by the following items :—

Provincial Debt and Subsidy of New Brunswick	$ 820,000
Prince Edward Island, including railway and steam ferry	820,000
Mr. Tilley's loan, say	450,000
Post-office increase (by Mr. Tilley)	300,000
Increase of salary and estimates	350,000
Working expenses (Intercolonial Railway)	500,000
Interest on capital for works up to end of 1877-8	1,200,000
Mounted Police	330,000
Indian treaties, say	330,000
Total	$ 5,100,000
Which deducted from	$23,128,000
Will give a sum of	$18,028,000

Result.

Which amount, divided by four millions, is as nearly as possible $4 50½ per head. In other words, were you to deduct those increases which are directly due to the action of the late Government, you would find that we were administering the affairs of this country some 82 cents per head cheaper than they were able to do in 1872-3, or, in round numbers, for $3,280,000 less a year, taking their own standard of measurement. (Hear, hear, and loud cheers.)

Items of List.

Now I call your special attention to the items composing this list. Of them all I can imagine but two—that is, a part of the cost of new Indian treaties, and a small part of the item for interest on capital expended on public works—as to which it is even possible to raise a question as to the liability of the late Government. Can anybody pretend that this Government are responsible for the assumption of the Provincial debt or the additional subsidy to New Brunswick ; for the admission of Prince Edward Island ; for the loan contracted by Mr. Tilley ; for the alteration in the mode of keeping the Post-office accounts, resulting in a nominal addition of $300,000 ; for the working expenses of those portions of the Intercolonial Railway opened since 1872-3 ; for the interest upon capital sunk in carrying out public works commenced by these hon. gentlemen ; for the expenditure caused by the Mounted Police, which they organized, and whose numbers and pay we have not increased ; or for the system of Indian treaties which they had inaugurated, and which we were of necessity obliged to carry to completion ? I have purposely taken no account of several other items, such as weights and measures, such as statutory increases made in accordance with Acts of Parliament passed by them, nor of the heavy expenditure on public works chargeable to income, nor of sundry minor matters which might be fairly used to swell the total against them. I have dealt with items of permanent increase alone ; and though I do not pretend to say that all of these were unnecessary or uncalled for, I do say that it is the height of injustice to debit us with the increased expenditure fairly and directly due to the acts of our predecessors ; and that in any comparison made between the present and the late Government, the least you can do is to compare our expenditure, after deducting these items, with theirs under similar circumstances. (Hear, hear.)

One More Calculation.

I shall only trouble you with one calculation more. You will observe that Mr. Tilley, in his budget speech of 1873, declared that he was about to alter the mode of keeping the public

accounts, by causing the Post-office Department to pay a considerable sum of money into the hands of the Receiver-General which hitherto they had received and disbursed without that formality, and which amounted, as he states, to nearly $300,000. Now, if you will add that amount to the actual gross receipts for the year 1872-3, which amounted to $20,813,469, you will find that that sum, divided by 3,600,000, the then population, gives an average amount, collected in one way or another from the people of Canada, of $5 86½ per head ; while, if you take our estimated gross revenue for 1877-8, which amounts to $23,400,000, and deduct the $250,000 interest on our cash investments since 1872-3, you will find that our gross revenue on a population of four millions is $5 79 per head nearly, being absolutely 7½ cents less than theirs in 1872-3, without making one single deduction on any account. Or, better still, taking the actual receipts for stamps, customs, and excise, which amounted in 1872-3 to $17,615,000, and which are estimated for the present year at $19,150,000, you will find that our real taxation for 1877-8 is as nearly as possible $4 79 per head, as against $4 90 in 1872-3, being a difference on the actual taxation of nearly half a million in our favour, measured *per capita.* Work the sum which way you please, and the results are always more or less in favour of the existing Administration. (Hear, hear.)

Summary.

Putting it broadly, although in 1877-8 we are providing for the wants of a quarter of a million people more than they did in 1873-4 ; although we are paying half a million more into the Sinking Fund in direct reduction of our debt ; although we have to provide for a great many more services ; and although we pay a very large sum annually as interest upon works to which these gentlemen committed us irretrievably before we took office, yet our gross estimated expenditure is barely $62,000 over their gross nominal expenditure for 1873-4, while if we deduct our receipts for interest, and charge them with the genuine expenditure properly belonging to 1873-4, there would be a balance of fully three-quarters of a million in our favour on the real cost of the two years compared together. (Hear, hear, and cheers.)

Easily Refuted, if Wrong.

This, in fine, is our case. You will observe that these statements depend for proof on very plain and simple facts. If I am wrong, nothing can be easier than to detect and expose my errors, and probably there is not one man among you who cannot easily verify my calculations for himself if he likes to take the trouble.

Consequences, if Right.

But if what I say is true, then, not only are Mr. Macpherson's allegations utterly disproved, not only is he individually convicted of having played the part of a bitter and dishonest partizan, but what is much more important, the whole general policy, financial and other, of the Mackenzie Administration is triumphantly vindicated, and the responsibility justly attaching to the men who entangled this country in a net-work of most onerous and most uncalled-for obligations is placed where it deserves. (Cheers.) There is a good deal, therefore, involved in these four simple propositions, and I am not making a very unreasonable request in bespeaking your best consideration for the statements I have been making.

Another Suggestion for "Drum-Major" Macpherson.

And now, Mr. Chairman, in bidding farewell to Mr. Macpherson, and in cordial acknowledgment of the really important service he has rendered us in enabling me to call your attention to these exceedingly useful facts, and in supplying us with such an excellent standard whereby to measure the relative economy of the late and present Administrations, I would venture to express a hope that the next time it pleases him to pose as drum-major in advance of Sir John's ragged regiment—(loud laughter)—a post for which, I admit, he has very special gifts and graces—he would kindly contrive to get his various wind instruments into somewhat better harmony. (Hear, hear, and renewed laughter.)

Sorrows of Dalton McCarthy.

It remains only for me to say a few words regarding Mr. Dalton McCarthy. I am sorry to observe that very little time remains at our disposal, and had not Mr. McCarthy made it a subject of special complaint that I would not notice his criticisms in the House, I do not know that I should have deemed it necessary to trouble you with any remarks on the present occasion.

His Position—Sir John's Little Weakness.

It may be as well, gentlemen, to explain briefly the exact position which Mr. McCarthy occupies in the ranks of the present Opposition. You must know that Sir John, great and good man as he doubtless is, has still one little weakness. He is, like many good women, old and young, apt to be a little jealous. He is even—tell it not in Gath—somewhat jealous of the reputation and ambition of his illustrious friend Dr. Tupper. I am bound to say that I regard his alarm as quite needless ; but, nevertheless, it is somewhat notorious that this jealousy has existed, and that Sir John has been long looking about for some one whom he may use as a sort of rival and counter-check to that gentleman. (Hear, hear, and laughter.) Unhappily, his own ranks were very bare of the necessary material. Save and except the late Mr. Hillyard Cameron, it would have been a hard matter for him to pick out two men of fairly average ability among his supporters—(hear, hear)—and so Mr. McCarthy appears to have been trotted out, avowedly for the purpose of supplying the Opposition with brains—at any rate that was the statement of the *Mail*, and I presume it ought to know. (Laughter and cheers.)

Mr. McCarthy's Mission.

Now, Mr. McCarthy, as we have been given to understand, was further entrusted with the special mission of enlightening the House on the general position of the finances of this country, and as he appears very anxious to understand why I did not at once reply to his criticisms, I can hardly refrain from obliging him with the reasons.

Reasons for Letting him Alone.

They were mainly these two. In the first place, Mr. McCarthy had not been speaking for five minutes before I perceived that he was talking what is technically called "cram," and not with any real knowledge of his subject. In the second place, it was equally obvious that he had been put up to endeavour to draw my fire. The hands were the hands of Esau, but the voice was the voice of Jacob. (Hear, hear, and laughter.) In other words, the notes were Dr. Tupper's, though the speech was made by Mr. Dalton McCarthy. (Renewed laughter and cheers.)

Dr. Tupper's Habit.

Now, it was very well known to me that Dr. Tupper greatly preferred to follow on all occasions in discussion. It is a pleasant trait in his character, and common to him and the charming sex he is said to adore, that he likes dearly to have the last word, but on this particular occasion I was not disposed to indulge him, and, in consequence, the House and the country were deprived of an oration from Dr. Tupper of at least four hours' duration. (Hear, hear, and laughter.) Moreover, I was very well aware that there were at least a dozen gentlemen on our side of the House ready and eager for the fray, any one of whom, on questions of finance, was a full match for Mr. Dalton McCarthy, and it was my clear business to leave those gentlemen to deal with him, which they presently did in very effectual fashion. (Hear, hear.)

A Little Strategy.

I may add, that there was a little question of strategy involved. When your opponents are making a false move is not the time to interrupt them. All through I have been anxious to get the attention of the public firmly fixed on these two points:—First, which Government was really responsible for the increase of our expenditure? and, secondly, how does our Administration really compare in point of economy with that of our predecessors? Of all possible battle-grounds, this is the one I would choose.

Use of Dr. Tupper, Mr. McCarthy, and Mr. Macpherson.

All we want is time to place the facts clearly before the people; and all these attacks of Mr. McCarthy's, Dr. Tupper's, and Senator Macpherson's are, if properly used, just so many very useful irritants of the public mind, which needed to be set enquiring on this special subject. It may be that we have hitherto been a little too dilatory in replying, but, knowing how very ready these gentlemen are to disown their most explicit statements when it suits their purpose, it is with no small satisfaction that I have seen them committing themselves so unreservedly to Mr. Macpherson's pamphlet, which can't be explained away, and which has been so widely circulated and so thoroughly endorsed by their press and their leaders that they cannot possibly escape the discredit of his blunders. (Hear, hear.)

Mr. McCarthy a Copy of Mr. Macpherson.

As for Mr. McCarthy, it is needless to do more than read you a few paragraphs from his harangue at Cobourg to show you that his main points are a pure repetition of Mr. Macpherson's principal and worst mistakes, of which I have disposed already:—

MR. MACPHERSON.	MR. M'CARTHY.
Then the legislation to which I have just referred was passed, and the expenditure for the year under Acts of Parliament and by Supplementary Estimates was authorized to be increased (according to Mr. Tilley) by $1,542,000, making the total estimates for that year $22,483,183.	If that were correct, how did it happen that the expenditure for that year (1873-4) was $23,316,316, while Mr. Tilley's estimates were *only for* $22,483,182?
Sir F. Hincks in 1870 showed the debt was then $22 60 per head. In 1873 Mr. Tilley said the debt per head had not increased. But in 1876 the debt had increased to $37 93 per head.	When the late (? present) Government succeeded to power, the debt of the population of this country was $22 50 per head. Last year that $22 50 per head had very nearly doubled, and the per head to-day, although the population had increased, was $37 93. That was the practical result of the whole matter. There was no use of battling with Mr. Cartwright as to this or that set of figures; if the people found out under which Government they paid the least taxes, and owed the least money, they would have no difficulty in putting the saddle on the right horse.
The taxation had increased from $3 50 in 1870 to $5 76 in 1876, and $6 per head is now required.	In 1870, $3 50 was the tax every man, woman, and child in the Dominion had, on an average, to pay. How did it stand now? $5 76 was required last year, and after all there was a deficit, and this year it will no doubt take $6 a head, instead of $3 50, to carry on the affairs of the country under this gentleman.

There is but one point as to which I may as well say a few words.

Possible Attempt.

I may be doing the parties an injustice, but on looking critically at some of the expressions used, I see they might possibly be construed so as to have a double meaning, and that when very hard pressed they may endeavour to extricate themselves from the extremely awkward position they have got into by turning round upon us and declaring that it was all a mistake; that they didn't mean to impute any blame to us at all, but only took up their parable against

the general tendency to increase—say, since Confederation. You may say with perfect truth that such a shift is impossible, seeing it would be contradicted by the whole tenor of their speeches, and even by their own express words in many places; but if you knew these gentlemen as well as I do, you would be aware that small indeed must be the loophole through which they will not try to escape, and pitiful indeed must be the evasion to which they will not have recourse when they find they are in a scrape. (Hear, hear.) It is said to be a hard thing for a camel—or a Mr. Macpherson—to get through the eye of a needle. (Laughter.) It is harder, I fear, to find an average Opposition Senator who can reason intelligently on the finances of the Dominion. (Renewed laughter.) But you may rely upon it, it is hardest of all to name a shift which these men would disdain to make use of in an emergency. Now, there is no sort of mistake as to the meaning of both Mr. McCarthy and Mr. Macpherson, whom he is here quoting, though, possibly owing to some error in the reporting, the language used by Mr. McCarthy is a little the more dubious.

Object of Mr. McCarthy and Mr. Macpherson.

Both Senator and Commoner are trying to impress upon their hearers that the present Government are responsible for an immense increase of the public taxation, and both select the *per capita* standard of measurement.

Dilemma.

Both, likewise, have by so doing placed themselves in this dilemma: If they deliberately mean to charge us with these increases, they show themselves to be most grossly ignorant of the commonest details of the finances of this Dominion. (Hear, hear.) If they know better, and should, after this, attempt to wriggle out of the plain and obvious meaning of their words, they have been acting with the most extreme dishonesty, and every word and every line of their respective speeches is constructed with deliberate intent to deceive. (Hear, hear.) No ordinary reader can possibly draw any other conclusion from their language than that the present Government had increased the debt *per capita* from $22 50 to $37 93, and the taxation from $3 50 to $6 per head; and, indeed, when Mr. McCarthy further on explicitly declares, "This year, no doubt, it will take $6 per head instead of $3 50 to carry on the affairs of this country under this gentleman" (that is, myself), he would seem to most effectually bolt and bar the door against any possibility of misunderstanding. Mr. McCarthy is said to be a clever lawyer.

"When the Blind Lead the Blind."

He may profitably meditate, before again committing himself to statements made on no better authority than that of Dr. Tupper or Mr. Macpherson, on this saying: "When the blind lead the blind, both will fall into the ditch." (Laughter and cheers.)

Abuse of Superannuation.

As to his remark upon our abuse of the Superannuation Act passed by the late Government, I will only call his attention and yours to a few simple facts which may tend to modify your opinion upon that subject. In the first place, the total number of employees entitled to the benefit of that Act is no less than 2,175. Of these to-day there are nearly 500 over three score years of age, the date at which the statute in ordinary cases begins to apply. Of these 500, some 200 odd are over 65 (are, in fact, over or on the verge of 70), 65 being the date beyond which no man is to remain in the service unless on a special statement that he is fit for his work. Our total number of superannuations out of this large number of nearly 2,200 men has averaged between 30 and 40 a year, being about 1½ per cent. per annum. We have increased the total sum paid for superannuation by $41,358 in three years, being the difference between $64,442 paid in 1873-4, and $105,800 paid in 1876-7; and we had $4,000 more paid into the treasury by our employees in 1875-6 than in 1873-4; and we have saved since we took office by the abolishment of various offices, $36,450.

Net Loss Under Present Government.

The net loss to the public is, therefore, about $1,000 in three years. (Hear, hear.) The total increase under the late Government in a similar period, say from 1869-70 to 1872-3, was $53,026, with very little set-off in the way of abolishing offices. Comment is unnecessary, and I can only express my hope that Mr. McCarthy will, as I have very little doubt he will, plead better for his ordinary clients. (Hear, hear, and laughter.)

McCarthy's Political Brief.

Perhaps, however, he may say that as his present political brief is only marked with Sir John Macdonald's I O U—payable when he gets into office again—the argument is quite as good as the I O U—a point I am very far from disputing. (Laughter and cheers.)

Natural Wish.

One word more. I have been reviled not a little for expressing a wish, in a perhaps unguarded moment, that there was some one in the Opposition who had ever been Minister of Finance. Well, perhaps I was wrong to say so, but at any rate it was a natural wish enough. One thing is certain, that had Sir Francis Hincks, Sir A. T. Galt, or Sir John Rose been acting as financial leader of Her Majesty's loyal Opposition, though we would have had far more formidable opponents, we would have been spared an immense amount of idle and fruitless discussion. It may astonish Mr. McCarthy and his friends, but the post of Finance Minister of this Dominion, even when it is no better filled than it is at present (and I am very conscious of not a few shortcomings, which I am trying to cure), does require some little natural capacity

and a good deal of steady, hard work. (Hear, hear, and cheers.) Moreover, a practical acquaintance with the details of the public accounts and of the financial position of this country takes time to acquire—more time than can readily be afforded by any one deeply engaged in the pursuits of a very laborious profession. When Mr. McCarthy chooses to study these matters at first hand, and will give a sufficient portion of his time and his mind to them, I shall be very happy to discuss them with him at any length he pleases. (Cheers.)

A Real Luxury.

I may add, it would be a real luxury, such as so far I have had very little experience of, to be able to discuss these questions with a clear-headed intelligent opponent, be he who he may ; but a man who has had such difficulties to deal with as have beset the Finance Minister of Canada for the last few years may be pardoned if he does now and then wax a little impatient if he is expected to spend hour upon hour in the House and before the country in refuting every stale re-hash of Dr. Tupper's, or Senator Macpherson's staler blunders. (Hear, hear.)

Good Wishes for McCarthy.

I sincerely wish Mr. McCarthy better company and better leaders for the future. And now, gentlemen, with the most hearty thanks for the untiring attention you have given me during this very long harangue, I shall make way with no small pleasure for my able and talented colleague, Mr. Huntington. (Prolonged cheering.)

REFORM MEETING AT WINDSOR.

SATURDAY, OCTOBER 6th

On their return from an official visit to Manitoba, the Hon. Messrs. Pelletier and Mills were invited by Mr. Wm. McGregor, M.P., and other Reformers of the district, to address a few public meetings in the County of Essex. The invitation was accepted, and the first meeting was held in the Opera House, Windsor, on Saturday evening, 6th October. Although the notice given was very short, the attendance—French and English—was large, and both Ministers were received with great cordiality. The Hon Mr. Pelletier spoke in French.

SPEECH OF THE HON. MR. MILLS.

Mr. Mills, who was also received with applause, said:—Mr. Chairman and Gentlemen, this is the first time that it has been my good fortune to appear before the electors of Essex to discuss some of the questions upon which, since the union, parties in Canada have been divided. I am here to defend the principles of the Reform party, of which their representatives in Parliament have been the exponents. I am here to explain and justify the policy of the Administration. You have recently had amongst you Sir John A. Macdonald and other leading members of the Conservative party. You have heard what they had to say in condemnation of the Federal Government and their policy, and also what they had to advance in defence of the conduct of the late Administration; and, to a very limited extent, they informed you what, in their opinion, ought to be the policy of the future. From the brief reports of their speeches which have come under my observation, I notice they tell you that some of us are indolent, some are mercenary, some are corrupt, and all are incapable; and, having given us a bad name, they have undertaken the task of hunting us down. They say that, since the accession of Mr. Mackenzie and his colleagues to power, the country has been far from prosperous; that this want of prosperity is mainly chargeable to the conduct of the present Ministry; and that if Sir John Macdonald and his friends again had the supreme direction of affairs, the stringency of the times would cease, trade would revive, and the age of Saturn again return.

Taking Issue with the Opposition.

Now, I take issue with these gentlemen upon all these propositions. (Hear, hear.) The policy of the Government was clearly indicated in the address of the First Minister at the general election. We have sought simply to embody in our public policy the views which were set forth while in Opposition. In our course we were sustained by an overwhelming majority at the polls. (Hear, hear.) The Opposition say that our policy is unwise, and that the men to whom you have entrusted the authority of carrying it forward, and giving it effect, are incapable and dishonest; and they are now calling upon you to reconsider and reverse your verdict. I hope to convince those who doubt, and to confirm in their conviction those who believe, that the verdict pronounced in 1874 was a righteous one, and in the public interest "That's so"); and that the charges against us, in so far as they reflect upon the honesty and integrity of the Government, are unfounded. (Cheers.) I propose to contrast our management of public affairs with their management by those who preceded us; to contrast our professions and practices with the professions and practices of Sir John A. Macdonald and his friends; and I think I can show you that the qualities which they have ascribed to us belong to themselves. (Hear, hear.)

A Fair Line of Argument.

We have been frequently told by these gentlemen, and by the newspapers which represent them, that this is not a fair line of argument to pursue—that the misdeeds of Sir John A. Macdonald and those who were associated with him are not and will not be regarded by the people as any defence for any wrong done by us—that we ought not to expect to be sustained on account of the faults of others, instead of by our own merits and the wisdom of our measures. Now, I admit the soundness of this proposition, whenever it is possible to place the conduct and policy of the Government fairly before this country, unaffected by extraneous considerations. (Hear, hear.) I admit the objection, under certain contingencies, to be valid, and the principle which underlies it to be true, but it is not the whole truth. (Hear.) I agree with those who maintain that it is the duty of the electors of Canada to stamp with their disapprobation every departure from the sound principles of government, every act of political folly or political turpitude, of which any party, Government, or public man has been guilty. (Cheers.)

A Further Duty—To Look Before They Leap.

But their duty does not cease at this point. They are bound not to excuse or to justify a greater wrong in condemning a lesser one. They are bound by every consideration of public duty not to palliate, much less to reward, a great political offender in order to punish a mere

error of judgment. (Cheers.) They are bound not to support a policy essentially unsound, politically and ethically, in order to punish those who have administered a sound policy, it may be with little skill. When the Conservative party depose their present leaders, and choose in their stead men whose hands are indeed clean, then the public, in holding the balances in which the merits of parties are weighed, will not be called upon to condone the "high crimes and misdemeanours" of our predecessors, in order to express their disapprobation of the mistakes of the present Administration—if mistakes can be shown to have been made. (Hear, hear.) I affirm, therefore, without any hesitation or misgiving, that a more untenable position could not be taken than the one chosen by those who say that the public are not called upon to consider the consequences of their action; that they are not required by the obligations of public duty to ask themselves before they leap where they are likely to alight; that they ought not to be called upon to consider before they turn one Government out whom they are likely to bring in. No one in his private concerns acts upon any such principle. (Hear, hear.)

The Franchise a Trust as well as a Right.

The elective franchise, besides being the right of the sober, the industrious, the well-informed, is at the same time a great public trust, in which are bound up the interests of the whole community now and in the future. The acts of the electors and the elected are far-reaching, for through them may liabilities be incurred having the gravest influence upon succeeding generations. In no other case, then, are the people so much required to act with a full sense of the responsibility of the consequences as in giving their verdict at the polls upon the conduct of public affairs. (Hear, hear.) As electors your judgment ought to be, to the best of your ability, in consonance with your convictions of what is best in the public interest. I am glad, gentlemen, for this reason, that you have had the opportunity of hearing what our opponents have had to say against us and against our policy. I trust you will consider well what we may say here, and what has been said elsewhere, in our defence. This we have the right to expect from you as a well-informed and fair-minded people; so that when called upon for your decision at the general election, between the representatives of conflicting opinions and the exponents of different lines of public policy, you may act from intelligent conviction, and with a full sense of your great responsibility. (Cheers.)

A Sound Principle in Equity Jurisprudence.

It is, gentlemen, a well-established maxim in equity jurisprudence, that he who would invoke the aid of a Court of Equity must himself come into that Court with "clean hands." (Hear, hear.) It is an eminently just maxim when applied to those leaders of the Conservative party who, for the time being, have laid their Conservatism aside, and now desire to be regarded as ambulatory tribunes of the people—(laughter)—who ask for our condemnation, in order that their own crimes and follies may be condoned. (Cheers.) But I wish to impress this fact upon you: that the policy of the present Government is not the only thing that the people of Canada are called upon to consider. The Conservative party owed something to the country.

The Duty of the Conservative Party to the Country.

It was the duty of that party to have deposed their leaders when the scandals connected with the Pacific Railway were established. (Hear, hear, and cheers.) They have seen proper to pursue a different course. They have seen proper to retain Sir John A. Macdonald and those who were associated with him in that transaction as party leaders, and you are asked to declare that you were wrong in condemning the Washington Treaty, by which the interests of Canada were sacrificed for anticipated personal honours—(hear, hear)—that you were wrong in condemning the sale of the Pacific Railway charter, by which money was obtained to enable Sir John Macdonald to remain in office. (Cheers.) Our opponents tell you that this was not a mercenary act, and it ought not, therefore, to be too severely censured. They tell you that it was the mistake of an ambitious man, and not the vice of an avaricious one, greedy of gain.

The Real Nature of the Pacific Charter Sale.

It was, gentlemen, a purchase of office for five years, with its attendant honours and emoluments. (Hear, hear.) I don't pretend to know which was the governing consideration. I know the act was a great crime. I know that by the sale a great public trust was betrayed. (Hear, hear.) I know that Sir Hugh Allan said—and in this I believe him—that he paid upwards of $350,000 solely in consideration of having obtained the charter. (Loud cheers.) The character of the act would not have been at all changed had the same amount of money been taken directly from the public treasury. The money was paid by Sir Hugh Allan, not for any valuable consideration given by Sir John A. Macdonald and his friends from their private property, but because 50,000,000 acres of lands which were likely to attain great value, and 30,000,000 dollars in cash, could be got possession of. (Hear, hear, and cheers.) Sir John Macdonald calls upon you to reconsider and reverse the verdict you gave in 1874. He asks you to again place the direction of public affairs in his hands. He tells you that if you do him the justice of restoring him again to power, he will not handle the money in the next sale. He says that to have done so was a mistake.

Why Sir John thinks it a Mistake.

You will mark well this fact: that in his opinion the sale of a great public trust to raise money with which to bribe the electors, to the end that he might continue to hold office, was a proper transaction—that the only mistake in the sale of the Pacific Railway charter was for the Ministers to have received the money, instead of having a political club for that purpose. He thinks a public man ought to be above suspicion, and it was possible for his enemies to do him the injustice of supposing him capable of retaining a part of the $45,000 which he received;

and, further, the conduct of Mr. Langevin shows that it is safer to have a party club. To get rid, therefore, of unfounded suspicions, and to avoid leading the most generous of colleagues into a temptation which he is unable to bear, a party club is an obvious necessity, and with it the proceeds of future sales of public works will be deposited. (Hear, hear, and loud cheers.) This, gentlemen, is no exaggeration of Sir John Macdonald's attitude. It is a simple statement of his line of defence, stripped of the drapery by which its moral deformity is sought to be concealed. (Hear, hear.) What wrong does he say was done by the sale of the Pacific Railway charter? Only this: that by receiving the money himself the cruel injustice might be done him of supposing that he kept any portion of what he received. He says he paid it out—that and "another ten thousand" included—for election purposes. Now, I don't at all question the accuracy of this statement; but are you prepared to agree with his view of the transaction?

Bribery with Private Funds Wrong, but with Public Funds Right!

Are you prepared to say that it is wrong for a man to bribe the electors with his own money, or with the money contributed by his friends; that he is deservedly punished by being unseated and disqualified under such circumstances, but that it is right and proper if the electors are bribed and the seat is secured by the sale of a public work or the sale of a public contract? Are you prepared to say that it was not wrong, that it was not corrupt, to raise money in this way in order to purchase offices of emolument? (No, no.) I say deliberately it was a sale in which public lands and money were to be received by Sir Hugh Allan and his associates for three hundred and fifty odd thousand dollars paid. This sum unquestionably went to diminish the profits of the anticipated undertaking. It was practically a charge against the funds that were to have been received. Sir Hugh Allan paid his money, and got the charter, and Sir John Macdonald and his colleagues kept their offices. (Hear, hear.) I confess, gentlemen I have been not a little surprised to find such a defence made where the best possible defence is a plea of guilty. I have been surprised to find the leader of the Opposition telling you that upon the subject of the Pacific Scandal he has always been at peace with himself; that the public did him a cruel injustice at the last election by their condemnation; that it is not he, but the electors, who are now penitent; that they are anxiously waiting an opportunity to undo that injustice; and that, when the next general elections are over, he will not only enjoy internal peace, but external glory. I ask you, gentlemen, whether effrontery could go further? (Cheers.) I have attended a few public meetings, and I have failed to see any indications of that penitence of which the leader of the Opposition speaks. I have not seen the people, like Niobe, "all tears" for his return to power. (Cheers and laughter.) It is well for the credit of the country that it is not so. I will not do him the injustice of saying that he holds those opinions of this most scandalous transaction which he so earnestly desires others to entertain. And let me here remind you that at the very time the sale of the Pacific Railway charter had been made, when the money obtained by this sale was being furnished to the candidates contesting the constituencies in the interest of the late Administration, Sir John Macdonald made a speech in Perth contrasting the purity of Canadian politicians with the political corruptions which prevailed in the United States.

What Sir John said about the Purity of Some of his Colleagues.

I regret that I cannot give you his precise words, but in substance he declared that he had followed the example, and by his untiring efforts had succeeded in keeping up in this country the high standard which had prevailed among the statesmen of England; that on more than one occasion rumours had gone abroad reflecting upon the character of some of his colleagues; that he had always enquired carefully into these matters; that he had sometimes discovered them to be well-founded; and they had no doubt observed that some of his colleagues had retired from his Government. The hon. gentleman did not state specifically to whom, of the many men who had been his colleagues, he specially referred. But you will remember, gentlemen, that this speech was made a little more than two years after Mr. Macdougall had been unceremoniously dismissed from the Administration, and Mr. Langevin put in his place. (Hear, hear.) You will, no doubt, remember also what Mr. Macdougall subsequently said of Mr. Langevin. (Hear, hear.)

An Illustration—The Arab Chief and the Vermin.

You know, gentlemen, when an Arab Chief has his garments so filled with vermin as to become no longer supportable, he spreads them upon an ant-hill, so that the one class of insects may make war on and chase away the other. (Laughter and cheers.) Sir John A. Macdonald adopted a similar course when he sought to get rid of useless or incompetent colleagues; but when I look at the list of speakers at the Tory pic-nics through the country, I observe that, in his distress, the vermin are again upon him. (Loud cheers and laughter.)

Chages Made by the Opposition.

Our opponents say we are incompetent and corrupt; and, as as an instance of that incompetency and corruption, they refer, amongst other things, to the purchase of 20,000 tons of steel rails by the First Minister, upon the advice of the Chief Engineer of the Pacific Railway. They say that the brother of the First Minister was a partner in one of the firms that contracted for the supply of a portion of those rails. They allege that contracts for the construction of public works have been let to others than the lowest tenderers. They charge Mr. Cartwright with having disposed of Canadian securities by private sale, upon the advice of the agents of the Canadian Government, instead of inviting tenders and selling to the highest bidder. They allege that the straitened times are due to the fiscal policy the Government have pursued. They

say that in the conduct of public affairs the Administration have exhibited a total want of legislative and administrative capacity. It is my purpose on the present occasion to briefly consider these charges. It is my purpose also, as pertinent to the occasion, to invite your attention to the conduct of those who are bringing these charges—to their splendid opportunities and disgraceful failures—to the obvious path of duty and wisdom that lay plainly before them, from which, whenever they attempted to move, they always deviated. (Cheers.) I hope to make the fact so plain with reference to their administration, that if all the things they have alleged against us were true—which they are not—while it might justify the country in insisting upon the correction of what was wrong, it would not justify the deposition of the present Government in order to replace them by their predecessors. (Hear, hear.) Admitting every allegation and every slander, still the public interest would demand no change, unless it were a change to new men, with a political career still before them—not a change to men whose political course was run, and had been as mischievous as it had been dishonest. (Cheers.) I purpose, in addressing you, to defend the Government from the charges which have been made against them—to defend the fiscal policy they have hitherto pursued, and to show you, as clearly as it is possible to establish any proposition in politics, that in so far as error has been committed at all by us, it has been, not in refusing to be guided by the advice, or to follow in the course, indicated by the ill-digested, unsettled, contradictory, and irreconcilable opinions of our political opponents, but in not departing from them more widely in what we have so far done. (Cheers.)

The Purchase of Steel Rails.

I need not, gentlemen, detain you very long by answering the charges that have been made against the Government, so far as those charges are pointed rather against the integrity of some of its members than against their capacity. With reference to the purchase of steel rails, the First Minister has himself answered his assailants fully, and as you have no doubt seen that answer, I need not go over the ground already covered by him, further than to say that, in the session which followed the purchase, no one complained. Dr. Tupper, who upon all these questions puts himself forward as the oracle of the Opposition, expressed his approbation of what had been done. The complaints that were made with regard to the wisdom of the purchase were first heard at a much later period, and were an exhibition, not of foresight, but of aftersight. (Hear, hear.) It is said that the purchase was a corrupt transaction, and that a contract for a large portion was given to a firm in which Mr. Charles Mackenzie was a partner. This has been denied by every member of the firm. Suppose it were true—what then? Does it follow that the transaction was a corrupt one? Tenders were advertised for. It was open to any one who chose to tender, and, other things being equal, it was the obvious duty of the Government to accept the lowest. (Hear, hear.) Supposing Mr. Charles Mackenzie had been a member of the firm of Cooper, Fairman, & Co., would that have been a valid reason for setting aside their tender? No man in his senses will say so.

The Late Government Providing for their Relatives.

The charge of nepotism comes with a very bad grace from the members of the late Government. (Hear, hear.) Sir John A. Macdonald made his brother-in-law Deputy Minister of Justice; Mr. Langevin made his brother, first, Clerk of the Crown in Chancery, and then Under-Secretary of State. Dr. Tupper provided for his brother in the Customs, and Mr. Mitchell's relations were provided for generally in a manner of which I shall presently speak. (Cheers.) To some of these appointments I make no objection, but others were, on principle, certainly very objectionable. I have no reason whatever to say that the Under-Secretary of State and the late Deputy-Minister of Justice are not very worthy men, but I do say that it is in the highest degree objectionable for a Minister of the Crown to put a near relative and a political friend in an official position that brings him into close confidential relations with his political opponents when they succeed to power. (Hear, hear.) You never can be sure that in the intimacy of private friendship, where there is no intention to betray official confidence, something may not be said which ought not to have been spoken; and I say that unless a Minister is prepared, upon his retirement from office, to withdraw also from public life, he is guilty of a great breach of public duty in making a near relative a Deputy-Minister. (Hear, hear.) The men who did this are not in a position to bring accusations of nepotism against their opponents. They tell you that these steel rails, although purchased by public tender at $54 a ton, were still purchased at too high a rate.

The Present and Late Government's Way of Purchasing Railway Supplies Contrasted.

What have they to say with regard to their own purchases of rails for the Intercolonial Railway? They authorized these purchases to be made by Mr. Hawes, a brother-in-law of Mr. Mitchell. He was at liberty to purchase from whom he pleased, at what price he pleased, and in what manner he pleased. (Hear, hear.) No public tenders were asked for. He bought by private arrangement. He was allowed a commission of 2½ per cent., so that the more he paid for the rails the more he received from the Government for what he did. (Hear, hear.) The rails he bought were purchased, not at $54 a ton, but at $84. Not satisfied with a commission upon these exorbitant charges, he made out fraudulent invoices, overcharging the Government about £9,000 sterling on 7,000 tons, and upon this excess he was also paid a commission. (Cheers.) I might also speak of the enterprising firm of Fraser, Reynolds & Co., of Halifax, from whom Mr. Carvell, another brother-in-law of Mr. Mitchell, obtained supplies for the Intercolonial Railway. This firm had no existence until after the elections of 1872. It had Mr. Alpin Grant, an old political friend and supporter of Dr. Tupper, as its moving spirit, and Mr. Fraser, a cousin of the Hon. James Macdonald, who was for a short time member for Pictou,

and who, it will be remembered, was so thoroughly convinced of the honesty of the late Administration that he would not believe there was any sale of the Pacific Railway Charter, although the facts establishing the sale were sworn to by Sir John Macdonald and others interested in the transaction. Well, these gentlemen, although without any previous experience in the business, established a hardware store, and they had the Government as their most profitable customer. They did a thriving business. They were paid for what had not been received. They sold car springs that were unfit for use. They received for springs, for lard oil, and for other railway supplies, prices far above those of ordinary dealers. (Hear, hear.) When the conduct of these gentlemen, of Mr. Carvell and of Mr. Hawes, was brought to light, Dr. Tupper and Mr. Mitchell professed to have had no knowledge nor any connection with the transaction in question. One would have supposed, then, as public men, they would have denounced them and the parties guilty of such frauds, but, on the contrary, they have never failed to seize every opportunity to attack Mr. Brydges for having brought these fraudulent transactions to light. It is singularly unfortunate for these gentlemen that they should do so. The conduct of an honest man, who endeavours to strangle the bellman that gives the alarm when his neighbour's house is on fire, instead of trying to discover the incendiary, would not be a greater mistake, nor more liable to be misunderstood. (Cheers.)

The Kaministiquia Land Purchase.

Then it is said that $50,000 has been paid for a strip of land containing 100 acres, and extending two or three miles along the Kaministiquia River, for workshops, for docking, and for other purposes connected with the eastern terminus of the Pacific Railway. It can hardly be supposed that lands at the terminus of the Pacific Railway, wherever that may be, would not be of very considerable value. I have no personal knowledge of the location spoken of. I have but the information that I have obtained from others. I know Mr. Reid, one of the valuators, is a man of probity and good judgment, and I don't believe he would be willing to fix a higher price than the actual value of the lands. I am told, and I have no reason to doubt the accuracy of the statement, that others have purchased in the vicinity lands less favourably situated than those obtained by the Government, at higher prices than the Government have been called upon to pay. (Hear, hear.)

Another Contrast Drawn—Purchase of Lands by late Government.

But let me again compare the conduct of the present Government in this matter with the conduct of our predecessors. Mr. Mitchell obtained. at Newcastle, where lands have no greater value than at Kaministiquia, a sum of $16,000 for two acres, which were not required, and have not been used by the Government, being sixteen times as much per acre as was paid for the Pacific Railway terminus at Lake Superior; and the Government of Sir John Macdonald paid for the site of a post-office in Montreal, containing about a quarter of an acre, the sum of $150,000—three times as much as was paid for the immense stretch of river frontage at Thunder Bay. (Hear, hear.) I need, gentlemen, say nothing more with regard to this transaction. Our opponents have not shown that the lands were unnecessary, that the price paid was excessive, or that the terminus chosen is not the best one, and I have given you two out of many instances of the prices at which they purchased lands—the one purchase in Montreal, for a public purpose; the other, to satisfy a colleague who threatened desertion. The latter was made at the time of the famous meeting of Parliament in August, 1873. (Hear, hear.)

The Hon. Mr. Cartwright's Loan.

With reference to the loan effected by Mr. Cartwright, the course adopted was believed to be in the public interest, and was therefore taken. It was taken on the advice of gentlemen of high standing in the monetary world—gentlemen of unimpeachable integrity, who were the paid agents of the Government of Canada, and if it were necessary to say more, it could be conclusively shown from what has since transpired that the advice they gave was not only honestly given, but in the public interest, and was wisely followed. Dr. Tupper openly, and Sir John Macdonald impliedly, charged the financial agents of Canada with having given their advice from interested motives and corrupt considerations. When the public interest will permit all the facts to be disclosed, it will be plain to the comprehension of every elector that these accusations are totally unfounded. It would be better if Canada were in a position to dispense with financial agents. Our position would be a prouder one if we could go upon the Stock Exchange upon our own unaided responsibility and sell our securities at a high valuation. without being called upon to pay any wealthy and powerful patron for his good offices. But that has not been our position. No Finance Minister that Canada has yet had has ventured to take such a step. It has always been felt that we would be at the mercy of wealthy speculators in securities, and stock-jobbers, were we to do so. There is no middle course. The financial agents of Canada were paid large sums for the assistance which they gave us. We seek their support; we take their advice; and they have never sought to make profit out of the Canadian Government in the double capacity of purchasers and agents. Whenever they have come to our assistance as capitalists, it has been as friends aiding to uphold the credit of the country, and not as ordinary dealers in stock, expecting to make profit by the transaction. It is a burden and a responsibility which they sometimes assume, in consequence of the advantages they enjoy as financial agents.

A Question for Opposition Financial Critics.

I put this question to Dr. Tupper, to Mr. Gibbs, and to Sir John Macdonald, and I ask them to tell you what justification they can offer for retaining agents who have received from Canada for their services during the administration of its affairs by them many hundred thousand

pounds, if they believe we can safely dispense with their advice and safely sell our securities to the highest bidder? Now, I tell you in advance, to that question they will not give you—they cannot give you—a satisfactory answer. (Cheers.) If their censure upon Mr. Cartwright is well founded, then their retention and payment of financial agents are gross outrages—a wanton waste of the money of the people of this country. (Cheers.) Sir Francis Hincks, who certainly cannot be accused of any strong bias in favour of the present Government, has not hesitated to say that Mr. Cartwright is wholly right, and that Dr. Tupper and those who side with him do not understand the subject they have essayed to discuss. (Hear, hear.)

The Commercial Depression—An Undertaker's Ideas.

Our opponents tell you that we are in the main responsible for the straitened circumstances of the country. I am told there is in the eastern part of this Province an undertaker, an ardent admirer of Sir John A. Macdonald, who affirms that he did a thriving business when a Conservative Government was in power, but since the accession of the Reformers his business has been very dull. (Laughter.) He longs for a change of Government in order that his trade may revive. (Hear, hear.) I once heard of a community in the West, where it is said that for a long time no deaths occurred. Some did not die because they could not afford the expense of the funeral, and some because they were largely in debt and unable to pay, and did not like to go to the next world until they had made matters square in this. (Laughter.) This, gentlemen, is all nonsense, but the nonsense embraces the complaint made against us by the leaders of the Conservative party. (Hear, hear.) If you take the trouble to enquire into the causes of the success or failure of the various industries of the country, you will find how foundationless are the complaints clumsily put forward by interested politicians professedly on behalf of various classes of the population.

The Canadian Lumber Trade—Real Cause of its Depression.

There is no portion of our people that have suffered more—perhaps none so much—from the stringency of the times as those whose capital is invested in lumber. But in what way has the policy of the Government injuriously affected this trade? Our large millowners formerly found a market in the United States, in the West Indies, in South America, and in Great Britain. Why has this prosperous trade not continued? Is it because of the fiscal policy of the Government of Canada? Not at all. It is simply because of the straitened circumstances of those who were once our customers. (Hear, hear.) Wherever our lumbermen heretofore found a market, trade has been depressed, and those who once were their customers have, unhappily for us, found themselves unable to buy. Will those who censure us come forward and say in what way we are responsible for this condition of things? Can we bring back prosperity to the United States? Can we induce the large manufacturing towns of New England to resume their building operations with the confidence and vigour of past days, and buy up our lumber as before? (Hear, hear.) No man at once candid and intelligent will answer these questions in the affirmative. (Hear, hear.) The only aid that it is in our power to give to the United States is the aid which a different fiscal policy and a less painful experience during a period of commercial depression affords. And permit me here to say that I have no expectation of an early revival of the lumber trade with the United States.

Disastrous Effects of Protection in the United States.

The fiscal policy which our opponents so greatly admire, and which they advocate with so much real or affected earnestness, has had full play for the past fifteen years in the neighbouring Republic. I need not tell you that its effects have been most disastrous. (Hear, hear.) Large manufacturing establishments in every part of that country are standing idle or are working on short time. The workmen employed are serving at greatly reduced wages; strikes and lockouts are of daily occurrence in every manufacturing town throughout the Union; large numbers of people are without employment, and their wives and children are begging their bread through the streets; the more sober, intelligent, industrious and law-abiding mechanics and artisans are quitting the branches of trade in which they have been engaged, in which they have become skilled, to seek new homes and new employment upon the various lands of the West and South, while large numbers are seeking relief from the charitable, and aid from the city authorities. (Hear, hear.) Those cities to which people have been so largely and so unwisely drawn by a restrictive fiscal policy, and which were rapidly built up by the feverish excitement consequent upon the misdirection of capital, are now being deserted. Farmers, learning of the large profits that were being made by certain favoured industries, sold their farms at reduced prices, and invested their money in manufactures about which they knew nothing, and lost what they possessed. (Hear, hear.) I venture upon this prediction, and I do not regard it as at all exaggerated, that the urban population of the United States east of the Alleghany Mountains will not be greater in 1880 than it was in 1870. (Hear, hear.) During the past year, for the first time in the history of the United States, the number of persons that left it exceeded the number that emigrated to it, and therefore I say that as a lumber market it will not be so good as it was a few years ago for many years to come. In fact, it is only by a complete change in the fiscal policy of that country that the mischiefs which have been done by an unwise and meddlesome oversight can be corrected. (Cheers.)

All Men Should be Equal in the Race of Life.

And, I confess, gentlemen, it has also been to me a matter of very great astonishment how the people of the United States could be led into the adoption of a system of taxation so totally at variance with their fundamental principles of government. If there is any doctrine which

stands out prominently beyond every other; if there is any principle, the spirit of which pervades their political system and constitutes its vital force, it is that in the race of life the law should not prefer one man to another—that neither birth nor rank shall be the basis of any special privilege. (Hear, hear.) Most men here will not question the wisdom of that policy. If it means anything, it means that all men shall be set on their feet, and in the race no impediment shall be put in the way of any one, to the end that each may succeed to the extent of his industry and of his ability. But when we look at the fiscal policy of that country since 1860, we see all this is changed. The Government interfere. They protect some to the extent of 20, and others to the extent of 60 per cent. A portion of the population is among the more, and a portion among the less favoured. (Hear, hear.) The products of one man's industry are given to another, and the profits of one are diminished in order that the profits of another may be increased. The industrious suffer for the idle—the wise for the stupid—the cautious for the reckless—the fair-minded for the grasping and the greedy. (Cheers.)

Protection Based upon a False Assumption.

Those who advocate protection in Canada assume that taxation is a productive force. All the arguments of Sir John Macdonald and his friends are based upon this assumption also, that there is no science of political economy; that such men as Adam Smith and John Stuart Mill were mistaken; that Cobden and Bright, Peel, and Gladstone, are only political quacks and empirics; that they have mistaken a temporary national policy, applicable only to the present condition of things in England—wholly inapplicable to the past, and fast becoming inapplicable to the future—for a true science. This is an interesting and a very important question. (Hear, hear.) It is so because everything now points to the conclusion that when the next general election takes place, it is upon this broad ground that the contest between parties will be fought. (Hear, hear.) It is to me a matter of very great interest, and of the deepest solicitude, that the people should approach the consideration of this question free from the influences which are likely to operate during a period of commercial depression—free from everything like the passion of party. (Cheers.) The mischievous consequences which would flow from the adoption of a narrow and exclusive fiscal policy in Canada would be felt for a generation to come. I do not fear that such a policy could endure for many years, for a dearly purchased experience will teach you that freedom is better than restriction, and that the laws of nature are a safer guide than the sophisms of protectionists. (Cheers.)

Political Considerations Against Protection.

But there are other political considerations not without their significance. A policy in the direction of free trade was entered upon for the purpose of bringing about and establishing the Canadian Federation. It was well known that not one of the four Maritime Provinces could have been induced to enter the Union if they had supposed a protective policy were to prevail, and the tariff framed by Sir Alexander Galt in 1859, and which he then regarded as a necessary evil—to which, from our financial embarrassments, we were for a time obliged to submit—was modified in the direction of free trade in order to induce them to do so. How can we then hope to retain them if we adopt the fatal course of breaking faith? (Cheers.)

The Extent and Value of our North-West Possessions.

We have in our unoccupied territories of the great North-west, south of the Saskatchewan, lands the money value of which, the moment they are occupied, will be not less than a thousand millions of dollars. This capital is now latent—useless. We need no restrictive taxes to induce people to bring it to us. We have it. It has only to be occupied and used. We have but to invite people to come amongst us—to be of us, and to put forth their hands and take it. (Hear, hear.) I am not, therefore, prepared to enter upon a fiscal policy which will endanger the Union, and which will retard, if not altogether prevent, the settlement of the North-west, which would deprive us of all hope of ever being able to meet the obligations to which our opponents, with so much recklessness and with so little judgment and foresight, pledged the faith of the country. (Cheers.) A protective policy would enormously add to the burdens of the great majority of the population, and at the same time diminish the public revenues. Sir John Macdonald says that the markets of Canada ought to be kept for Canadians. This, if it means anything, means, not that we should tax, but that we should prohibit importations. If we had absolute freedom of trade we would have no Customs revenue. If we have duties that amount to prohibition we have no revenue. Sir John Macdonald's proposition, therefore, implies that we must look out for other sources of taxation. In what way does he suggest that Canada ought to be kept for Canadians? He says that the farmers often have bad crops; that they often receive low prices; and that when a year of scarcity comes, when there is less breadstuff in the country than is required for consumption, heavy taxes ought to be imposed upon foreign breadstuffs in order that you might become rich by the high prices that you are to receive from your famishing countrymen.

An Old Doctrine in a New Dress.

I ask myself, can it be possible that such a doctrine is promulgated by one who is anxious to be considered a statesman? (Hear, hear.) This is an old doctrine in a new dress. It is an advice to those who constitute a majority of the population to act upon the maxim that "they should take who have the power, and they may keep who can." (Cheers.) I rejoice to believe that among my countrymen few will be found to avow sentiments that are as unwise as they are heartless and dishonest—sentiments that, if consistent with the general well-being of society, would reflect on Providence. (Cheers.) Suppose for one moment—for it is possible only in supposition—that we did produce less of the necessaries of life than we consume; that in this

unfortunate condition we taxed very highly the food of those who had none, in order that we might put more money in the pockets of those who had abundance and to spare, do you think that such legislation would be either wise or just, or in the public interest?

The Question Further Considered—Effect of a Tax upon Wheat.

Let me examine this declaration of principle by Sir John Macdonald a little further. Suppose the farmers of Ontario produce all the wheat necessary for their own consumption, and a million of bushels to spare, and the Maritime Provinces and Quebec are short two millions of bushels. You can supply them with one million, and they must obtain another million from abroad or starve. Now, says Sir John Macdonald, has come the opportunity to make the country prosperous. Put a heavy tax on wheat that is brought in from abroad; make those that are starving pay well for bread, in order that those who have a million to sell may get a better price. Now, gentlemen, what tax will your conscience permit you to put on? (Loud cheers.) Twenty cents a bushel? This would give you $200,000 more than you would have obtained without that tax, and the foreign farmer, whose wheat comes in to the extent of one million bushels, receives just what he would have done if no tax had been imposed. Under the circumstances supposed by Sir John Macdonald, you get twenty cents a bushel more—the price of the foreigner's wheat to the consumer is increased twenty cents a bushel also in consequence of the tax. You see that those who had been so unfortunate as to be without a sufficient supply of bread will have paid $400,000 in taxes in consequence of their misfortunes—$200,000 to you and $200,000 to the Government. (Hear, hear.) What right have you to ask that they shall be taxed for your advantage? To compel them to pay a tax from which you, from your more fortunate condition, are exempt, would in itself be bad enough; but to compel them to pay not only taxes into the public treasury, but also tribute to you, is a proposition so monstrous that no honest man could make it, and no one but a robber would be willing to profit by it. (Loud cheers.) It is well, gentlemen, that Providence has ordained that a course of conduct grossly unjust is never consonant with the well-being of the public. How can a nation be made more wealthy or more prosperous by forcibly taking from one man in order to give to another of the same community? The man whose industry you partly rob of its reward is discouraged, and the man upon whom it is bestowed has taken from him the strongest motive to close application and an economical management of his affairs. The policy suggested by Sir John A. Macdonald is founded upon the essentially erroneous doctrine that scarcity is the foundation of prosperity. If this were so, it is only necessary, in order to make a nation prosperous, to diminish the power of production, and refuse to make the most of the natural advantages to be found in a country. (Hear, hear.)

Some Apt Illustrations.

You should build your houses without windows, in order to increase the demand for candles and kerosene. (Laughter.) You should choose the least healthy places for your buildings, and erect houses without proper ventilation, to give employment to doctors. (Hear, hear, and laughter.) You should never pay your debts without a lawsuit, so as to give employment to the lawyers. You should cultivate less land, and cultivate that little badly, but with tools of such a description that it would be necessary to employ a great many men to do a very little. You should use the sickle instead of the reaping machine, and the flail instead of the threshing machine; let the pit-saw find the place of the saw-mill; and you can make everything scarce, and, according to Sir John Macdonald's political economy, everybody prosperous—for scarcity is to be the foundation of prosperity. (Loud cheers.) It is to our interest as a Government that the people of Canada should clearly perceive the bearing of the financial policy which he propounds; and when they do so, I have no fears that they will commit themselves to the barbarous follies of a barbarous and by-gone age. (Applause.)

Our Mercantile Marine and Protection.

And permit me to make this further observation, which I ought to have made somewhat earlier, in answer to the charge that we are in any way responsible for the stringency of the times. We have a very large mercantile marine—nine times as great, in proportion to our numbers, as the mercantile marine of the United States. During the past two or three years it has failed to find profitable employment in any quarter of the globe. The member in the House of Commons for Yarmouth, Mr. Killam, who is a very large ship-owner, when being examined before a committee appointed to enquire into the causes of the commercial and manufacturing depression, remarked that he did not know of a single port in the world where a cargo could be obtained at a paying rate. The ships engaged for many years in the South American and Mediterranean trade were obliged to return home for the want of employment. The Nova Scotian vessels trading between American ports and the continent of Europe found themselves for a time with nothing to do. Ship-owners were without dividends. They were obliged to economise, for they had little to spend. The crops of the Canadian farmers were below the average, and less money was brought in from abroad, for there was less to sell. Imports fell off. The revenue was proportionally diminished. Necessary undertakings had to be left in abeyance, and projected improvements for the time being abandoned. Now, I would ask in what way was the Government responsible for these things? Could we give prosperity to the States of South America or to the countries bordering on the Mediterranean? Could we compel the people of Antwerp to buy the coal oil of Pennsylvania, or the inhabitants of Cuba to end their civil strife? No man in his senses would say so. (Hear, hear.) This is simply empty declamation, incapable of being sustained by facts or arguments. It is quite sufficient to have imperfectly stated the facts in order that the absurdity of such assertions may clearly appear. (Hear, hear.)

The "National Policy."

The leaders of the Conservative party are calling aloud for the adoption of a "national policy." They ask that the trade of Canada shall be kept for Canadians. They tell you that we have adopted a policy by which the people of this country are compelled to pay yearly several millions into the treasury of the United States. I deny the correctness of this allegation. I affirm that one more unfounded was never made. I say that the theory embraced in the assertion of these gentlemen is refuted by the experience not only of Canada, but of every country that has had a foreign trade. In addressing the people at Fergus a few weeks ago, I showed from our trade and navigation returns, extending over a period of twenty-two years, that the prices received by the Canadian farmers for the products sent to the American market were not, nor could they be, affected by the taxes imposed by the United States. (Hear, hear.) What makes up the value of an article? The cost of the original material, the value of the labour spent upon it, the profits, and, if it is taxed, then this must also be added, and all these are elements which go to constitute the price paid by the consumer. There is no such thing as production at a permanent loss where there is no Government interference. It is contrary alike to experience and common sense. (Hear, hear.) We have suffered incomparably less than our neighbours during the crisis which in this country seems happily to have closed, but which in the United States is still most severely felt. I say we have suffered incomparably less than they have; and the reason is not from any superiority in our natural advantages, but because in our system of taxation we have departed less widely from the doctrines of political economists than they have done. It is satisfactory to know that the discoveries in political science, no less than the discoveries of physical science and in the industrial arts, admit of practical application. It is gratifying to know that they are rapidly finding their way through the ordinary channels of public opinion, are correcting popular errors, are reforming the laws by which the people are governed, are breaking down the artificial barriers which separate independent States commercially; nor are they void of other beneficial results, for they at last come home to every family that is sober and industrious in the forms of increased security to life and property, increased intelligence, and increased comforts. The prophecies of ruin which our opponents have recently indulged in, as a consequence of our fiscal policy, are being falsified by the returning prosperity of the country, just as similar predictions have been falsified in Great Britain, and in every other country where free trade has been established by able men, and denounced by political charlatans. (Cheers.)

Quacks Sometimes Successful—Why?

I dare say, gentlemen, you have observed that sometimes a man with a very limited amount of information, and with little or no professional skill, undertakes to practise medicine. The country is new, the people are poor—are unable to judge accurately of his attainments. They employ him when they are ill, and, being temperate in their lives, having grown strong by industry and manly exercise—in spite of his treatment they recover. He acquires a reputation for knowledge and skill which he does not possess. He is jealous of the regular practitioner, denounces his book-learning, and endeavours to keep him out. Those on whom he has long imposed, for some time longer continue to listen to him. Another generation, however, is growing up. They have had better opportunities than their fathers—they are less simple-minded. They take the exact measure of the man of herbs with medical instincts. They know he is a quack, and they do not conceal their knowledge. He struggles hard against this opinion, and complains of being persecuted, but having spent the greater portion of his life in deceiving people into believing him what he is not, it is too late for him to begin now that study by which alone he could be qualified to become what he desires the community to consider him; and the place from which he has fallen he can never regain. We have had in Canada the same type of political doctor. You see two of them leading the Conservative party. (Cheers.) They have lost their position and their practice. They are offering the people again their quack nostrums. But the times have changed. A new order of things has been established, with which this class are out of joint; and they struggle hard, but vainly, against the public verdict. (Hear.) They still have faith in buncombe. They still hope that the public taste for being humbugged will return. They are prepared to embark on any sea of speculation, however untried; they are prepared to engage in any venture, however wild or visionary, if perchance they may regain their old places. (Hear, hear.) They are ready to appeal to any prejudice or suggest any policy, no matter how mischievous it might prove, if the result only were favourable to their wishes. (Cheers.)

Government Policy the Real National Policy.

Our opponents advocate what they call a "national" policy. We also advocate a national policy; and I shall endeavour to show you before I conclude my observations that the fiscal and political policy of the present Government, and of the Reform party, is alone entitled to that appellation. (Cheers.) Does any man in his senses believe that a few cents taxes upon breadstuffs, and a tax upon other agricultural products coming from the United States into this country, similar to that imposed by Congress upon the products of Canada, would be of any advantage to us? We have, as I have already stated, an immense mercantile marine, for which we are anxious to find employment. It is growing up without protective tariffs and without Government interference. It carries the products of Canada to every quarter of the globe where a suitable market can be found. It affords to capital a profitable investment, and to many mechanics and artisans remunerative employment. It engages the services of many thousands of our people fond of adventure, and who are obliged to encounter those storms and perils of the sea by which the mind not less than the body is invigorated, and by which habits of self-reliance

are acquired. Is this immense source of wealth and prosperity of no consequence? Are those who invest their capital in ship-building and ships—are the hardy mariners who man them—to be eliminated as of no account in the elements of national growth and national prosperity? (Hear, hear.)

Agricultural Protection.

I need not discuss the effect of a retaliatory policy upon the prosperity of the agriculturists of this country. As an agriculturist, living in a neighbouring county, the climate and products of which are similar to your own, I shall oppose to the utmost of my ability a policy that would prove in the last degree injurious to the farmers of Canada. You may depend upon this, gentlemen, that the Government who impose a tax upon imports, to that extent at least tax their own people. (Hear, hear.) During the past four years we imported from the United States cereals to the value of $55,000,000, and we exported thither to the value of $34,224,620, or we imported into Canada $20,822,754 worth more than we exported to that country. Now, were we damaged by this excess? Would it have been a wise thing on the part of the Government to have imposed a tax that would have kept this excess out? I say no. (Cheers.) I say our people engaged in this trade because they found it profitable. Let me ask you for a moment to consider what we did with this surplus which we imported. We imported wheat and flour from the United States in these four years in excess of what we sent there to the value of twenty-nine millions of dollars. We sent to England forty-two millions of dollars worth of breadstuffs during the same period, twenty-nine millions worth of which were the product of the United States, and thirteen millions worth the product of Canada. The American wheat which we imported and sent to England would have gone there through American channels had we imposed an import duty upon it, and those Canadians engaged in the milling and carrying trades have made more than three times the gain they would have done had we adopted a policy of exclusion. (Hear, hear.)

The Importation of American Corn Considered.

There is one product in which I am told you have a special interest—I refer to the production of corn. I will take the year 1874 as an example, because the prices then were more nearly a mean average, taking several years together, than were the prices of 1876. Well, in 1874 we imported into Canada 5,331,000 bushels of corn, at about 43 cents per bushel; 2,657,000 bushels of this were re-shipped to Europe at about 61 cents a bushel—that is, at a profit of 18 cents a bushel, or $477,180 on the whole transaction. Now, the country is richer by nearly half a million dollars in consequence of the importation and exportation of these 2,657,000 bushels of corn. (Hear, hear.) Let me consider for a moment whether we have gained or lost by the two and three-quarter millions of this corn consumed at home. If we take but three quarters of a million of bushels as the quantity that has been consumed by lumbermen and farmers, you have an equal quantity of peas and barley displaced—peas, however, more largely than barley. The mean average difference for the past four years between corn on the one hand, and peas and barley on the other, is about 30 cents per bushel, or upon three quarters of a million of bushels $300,000—a total gain to the country each year upon the corn imported of $777,180. (Hear, hear.) Let me ask you, gentlemen, how much corn do you export from your county in a single year? If your farmers were to produce on an average 100 bushels each more than they consumed—and this is far beyond what they do in the most favoured corn-growing district on the continent—and we were to give you a protection of ten cents a bushel, it would only amount in all to $50,000. But I am told that you find it much more advantageous to use your corn in the production of pork than to send it abroad, and that less than 50,000 bushels are shipped from your county; so that the taxation suggested would give you less than $5,000 additional profit. If this corn was consumed in the country it would not add a farthing to the national wealth; and if it went abroad how could any duty help you? for the price which the dealers could afford to pay would depend on the foreign market, which could not be affected by any taxes imposed by us. I would ask you in all seriousness, do you think that the Canadian Parliament would be justified in putting a tax on corn which would give to each farmer in Essex one dollar a year more than at present, when by so doing they would entail upon the country an absolute loss of three-quarters of a million of dollars, not including the loss sustained by a necessary reduction of the excise? But no such advantage as the one I have mentioned could possibly accrue to you from such a tax. (Hear, hear.) The indirect consequences resulting from the disturbance of a prosperous and profitable trade would injure you much more than any such restriction could help you. Providence has wisely constituted the world in such a way that men are mutually dependent upon each other. No merchant would be helped by having his customers beggared; and no more can one portion of our people be made permanently wealthy and prosperous by the impoverishment of those with whom they are indissolubly united. (Hear, hear.) I say, then, gentlemen, that the system of taxation recommended to your consideration by our political opponents is not entitled to the appellation of a national policy. And here let me ask you why our opponents did not adopt their national policy when they were in power? The Congress of the United States terminated the Reciprocity Treaty in 1865. These gentlemen were in power from that period down to Confederation, and from the consummation of the Union to the closing months of 1873. Yet they permitted a system of taxation for these eight years to continue, not differing in any important respect from that which prevails at the present time. (Hear, hear.) It is true that Dr. Tupper made an effort to adopt a feeble outline of the policy now advocated by Sir John A. Macdonald. He was successful. What he proposed was assented to. Then his darling child was born. It lived nearly a year, and was ignominiously strangled by the votes of the very men who had assisted to give it being. (Cheers.)

The Conflict of a Past Age Renewed.

This question, gentlemen, of free trade and protection is not a new question. It is a renewal upon our soil of the conflict between the exclusive spirit of a past age and the more generous spirit of the present. (Hear, hear.) It is the renewal of a conflict between knowledge and ignorance—between science and a short-sighted and selfish empiricism. It was fought in England during the first half of this century, and the prosperity which has attended the adoption of an enlightened and commercial policy there has more than justified all the predictions of its most zealous advocates. (Cheers.) In no country in the world has an exclusive fiscal policy had so full and fair a trial, and under such favourable conditions, as in the United States. From 1860 until the present time a system of taxation has been pursued there which proposes to make everybody rich at nobody's expense. The murders, the acts of incendiarism, the riots, the strikes, and the destruction of property which have taken place of late form a conclusive answer to those who say the system has been successful. (Hear, hear.) In that great country, where nature has been so lavish of her gifts to man, where more than half the land within its settled limits still remains unoccupied and unreclaimed—in that country, capable of sustaining an agricultural population of one hundred millions in affluence, there exists at this moment an amount of misery and suffering, of destitution and want, amongst the poorer classes of the urban population, which well-nigh beggars description, and which can only find a parallel in the worst governed countries in Europe. (Loud cheers.) Six thousand millions of dollars of taxes have been taken by a protective policy from the consuming population of the United States and given to the manufacturers since 1860. This immense sum has been taken from those to whom it rightfully belonged under the authority of an Act of Congress, with the view of making the nation rich and prosperous. Nevertheless, you find at this moment those on whose behalf it was levied and upon whom it was bestowed still confessing their inability to stand without the aid of the Government props—still calling upon the Government for further taxation in order that their business may be prosperous. An illustrated paper some years ago represented Horace Greeley offering a boy a jack-knife for a dollar, and saying to him, "This knife is worth 30 cents, but if you will give me a dollar, and other people will do the same for fifty years, then I will be so rich that I can make jack-knives for 30 cents, too." (Cheers.) Such establishments are very costly charitable institutions, and they are intended to make the many poor in order that the few may become wealthy.

Protection and Immigration.

Many of you have read of the privileges enjoyed by the aristocracy of France before the revolution; but, I ask you, what abuaes, what special privileges of the ancient *regime* were more outrageous, were more hostile to every natural sentiment of justice, than those conferred upon certain classes of industry in the United States? (Cheers.) An attempt has been made by legislation to increase their capital, not by legitimate profits upon the products of their labour, but by forced benevolence levied upon the farmers and artisans, by which the wealth of the one is increased and the other diminished. (Hear, hear.)

Results in the United States.

The protectionists tell you that it is important to keep our young men in Canada, and that it is important also to induce others to immigrate. It is well to observe whether protection has had this effect in a very marked degree elsewhere. The total immigration into the United States, from 1820 to 1870 inclusive, was 7,800,000. Of these, upwards of six millions were ordinary labourers, 900,000 had been tenant or proprietary farmers before coming to America, less than 800,000 were mechanics, and not more than 120,000 of these were engaged in branches of industry that were protected under the tariff of the United States. (Hear, hear.) So that if it were admitted that those 120,000 were brought to the American Republic in consequence of the fiscal policy, that is but one in 70 of the immigrant population. (Hear, hear.) In the year 1870, 387,203 immigrated from Europe to the United States, but of this immense number only 6,960, or but one in 56, were trained to those pursuits which were protected industries under the tariff. It is clear, then, beyond question, that the restrictive policy pursued by the United States has exercised no perceptible influence upon the immigration to that country. (Cheers.) Nor has it exercised any perceptible influence in preventing the population from going abroad. The population leaving the New England States and going into the agricultural States of the West to engage in agricultural pursuits is larger than the population that has left Canada for the same purpose. Our opponents tell you that as a result of restriction you are to have a home market—that the labourer will command higher wages, that the cost of transportation will be dispensed with, and that although something more will have to be paid for what is produced, something more will be received also for what is given in exchange. It may be that men will argue themselves into a belief of a statement of this kind, but an examination of the facts shows how unfounded it is. There never was an impostor who did not in time become the victim of his own imposition. (Hear, hear.)

The Selfishness of Protectionists.

Men whose immediate interests point in a particular direction, and who have neither the time nor the inclination for generalization, may be brought to regard such absurdities as true, but they will not bear one moment's honest scrutiny. Did you ever hear of a manufacturer seeking to discourage the immigration of the class of artisans whom he employs? If you have, that is more than I have done. He asks that the product of labour, and skill, and capital shall not be brought from abroad to compete with him. He asks that the Government shall prefer him to the consumer, and compel the consumer to pay him a bounty. He says that if you do

this his foreign competitor will leave his own home, bring his labour, skill, and capital into Canada, and that prices will be as low with protection, in consequence of home competition, as they were before without it. Do you think he is governed by any such motive? Do you think he would urge upon the Government the adoption of a restrictive policy if he believed the immediate consequences would be such as thus described? Not he. It is because he does not believe these representations; it is because, if he has studied the subject, he knows that neither labour nor capital is likely to flow from abroad to rival him. (Hear, hear.) He knows that his competitors will be in most cases discontented workmen and small capitalists at home. He has the start of them. He does not fear them, and he hopes to realize a fortune out of the consumers before any serious result can follow the adoption of the policy which he advocates. (Hear, hear.) It is just as necessary in the interest of the community to exclude the foreign mechanic and artisan as to exclude the product of foreign capital and labour. The one affects the price of labour as much as the other affects the price of merchandise. Every skilled labourer from abroad who settles in Canada becomes a competitor with every other engaged in the same pursuits who is already here. The labourer in the cotton factory, in the woollen factory, or in the car-shop—and I may also say in the field—has precisely the same interest in the exclusion from the country of his brother-labourers that the employer has in the exclusion of foreign products. (Hear, hear.) It must, then, be clear to you that better wages and better times for the working population is not the impelling motive of those who are calling for protection; and until Sir John Macdonald and his partisans earnestly set themselves to work, as friends of the working man, to put down immigration to this country, they can hardly be regarded as sincere in the professions they make. (Cheers.)

Where the Proceeds of an Increased Tariff would go.

One of the most important things for you, gentlemen, to bear in mind—important because it is frequently lost sight of—is that the system of taxation proposed by our opponents will take from the pockets of the people an enormous sum of money which will never find its way into the public treasury. (Hear, hear.) The whole theory of financial reform in England, from the close of 1818 down to the retirement of Mr. Gladstone from office, has been that a Government should aim to tax the people only to the extent that the money finds its way into the public treasury. Under this policy, what is paid differs but little from what is received, and the waste of taxation is reduced to a minimum. The policy in England, therefore, is to tax only a certain class of imports which are not likely to affect the prices of others that are not taxed; or, if they do, then an excise duty is put upon the home-produced article of a similar kind, so as to give the State the benefit of the increased value given to it by the increased import duty. To make more clear the idea which I wish to convey to you, let me take the case of alcoholic liquors. We put a tax upon those that are imported, the effect of which is that those manufactured at home, such as beer and whiskey, can be sold at an advanced price. If we put no excise duty upon them, this advanced price goes to the brewer and distiller. So that, without an excise duty, those who consume whiskey and beer would be paying a tax which would not find its way into the public treasury, and the brewers and distillers would in that case enjoy incidental protection—that is, they would pocket a large sum of money which would not be legitimate profit upon their business, but a necessary incident of a tax imposed by the Government upon an imported article. Now, if the Government put 17½ per cent. upon broadcloth, the importer must add 17½ per cent. to the original price, and the sum is the primary cost of the article to him. This gives to the manufacturer in this country an opportunity of adding 17½ per cent. to the price of the article he produces. The tax on the foreign article goes into the public treasury. The tax on the home article goes into the pockets of the home producer, and even under our present tariff this sum amounts to several millions a year. The system is essentially vicious and unjust. If we are not at present able to put an end to it, I trust we are able to take care that it shall not be further extended. (Hear, hear.) There is one thing I do know, that when the consuming population of this country fully understand this subject, they will make short work of the system; they will see that men who are anxious to acquire fortunes shall learn to rely upon their own judgment as to the wisdom of their investment, and on their own industry, economy, and prudence for success. (Cheers.)

Our Duty as Canadians.

I shall not detain you further by a discussion of the subject of the tariff. It was my purpose to have spoken upon the acquisition of British Columbia, upon the acquisition of the North-west Territories, and upon the policy of our predecessors in dealing with the law relating to controverted and simultaneous elections. I shall do this elsewhere in the county. I have said, however, enough to show you that we understand our mission—that we know our duty, and intend to discharge it in the public interest—that we have so far acted in accordance with our honest convictions of right, and have done nothing to give us cause for thinking that the public confidence has been withdrawn. (Loud cheers.) We recognize the fact that this Union has been established to promote the prosperity of its people, and to secure the colonization of the immense territories of the North-west which we control. We know that without the development here of a national spirit and a national feeling, we can have no future assured. Mr. Wedderburn, in speaking once against the colonization of the country north of the Ohio River, said he hoped every man settling on the continent, not less than the merchant who for a time may reside at Stockholm or St. Petersburg, would look to the British Isles as his home. I say the very opposite of this. I hold that it is the duty of every man who intends making Canada his home to prefer her to every other land, and to do all he can to make her great and prosperous. (Cheers.) The man who comes here from the British Isles must leave his country behind him,

as well as the man who comes from the continent of Europe and from the neighbouring Republic. Each country of the United Kingdom has its distinct nationality. Canada, if she is ever to have a place or name in the annals of the nations, must have hers also; and it is a duty that every immigrant owes to this country that he shall become Canadian in sentiment and feeling. (Cheers.) I do not ask that he shall forget the great deeds and the great men of his native land. It is impossible that the memory of great wrongs successfully resisted, and great triumphs manfully achieved, can be forgotten. (Cheers.) There are great men and great actions upon which the dust of ages never falls. But our period of childhood has gone by, and manhood or imbecility must succeed. (Cheers.) It is our duty as a Government to develop the growth of this national sentiment—to throw our people more largely upon their own resources—to give freer play to their habits of self-reliance—to trust to their intelligence, their industry, their virtue, and their courage, the future of Canada. The hon. gentleman resumed his seat amid loud and long-continued applause.



ERRATA.

In the introduction to the Newmarket Demonstration, the name of Mr. J. Pearson Wells, formerly member for North York, should have been given as chairman; and the name of Dr. McMahon, M.P.P., was omitted from the list of speakers.

INDEX.

THE INDIAN QUESTION.

Extract from Official Report of

SENATE DEBATES

Ottawa, Thursday, 16th April, 1885.

THE INDIANS OF THE CANADIAN NORTH-WEST.

MOTION.

HON. MR. SCHULTZ moved that an humble address be presented to His Excellency the Governor-General, praying that he will cause to be laid before this House copies of all correspondence between the Government of the United States and that of Canada, relative to the presence of American Indians on Canadian soil; all communications from officers of the Mounted Police upon that subject, and all Orders-in-Council or Departmental Instructions relating thereto, which have not already been published in the Annual Report of the Indian Branch of the Department of the Interior; also, an estimate of the increase or decrease of the Indian population of the North-West, based upon the numbers who were paid at the various treaties made in 1871, and subsequent years, and the number now paid; such information regarding the number of Indians who have adopted agricultural pursuits not hitherto printed, and copies of complaints (if any) from the Aborigines' Protection Society, the bishops and clergy of the various missionary bodies in the North-West, and from others, regarding the treatment of the Indians of the North West; also, an approximate estimate of the cost of food supplies furnished to these Indians since Treaty No. 1, in 1871.

He said: I desire to explain to hon. gentlemen that this notice of motion was given by me before news came of Half-breed and Indian troubles in the North-West, and as no definite information has yet been obtained as to the extent of their sympathy with, or participation in, the Half-breed rising on the Saskatchewan, it would be premature and possibly ill-advised to discuss the present condition of the Indians of the North-West and their relations with the Government till the facts are fully known. I shall, however, endeavor to recall some of the various important changes which have occurred in the conditions surrounding the Indians since they were first treated with in the fall of 1871, and to do this will take the liberty of reading a speech which I delivered in the House of Commons in March, 1873, on a notice of motion for copies of correspondence bearing upon certain matters of discontent existing among the Indians of Treaties Nos. 1 and 2; as illustrating the condition of the Indians before settlement had pressed hardly upon them, and while yet the larger game and fur-bearing animals were to be found in comparative abundance.

As I am yet weak from recent illness, I respectfully ask the indulgence of the House in allowing my friend the Hon. Dr. McInnis to read the speech which I refer to for me.

HON. GENTLEMEN—Hear! hear!

(Permission being granted, Dr. McInnis then read the speech of March, 1873):—

"Dr. Schultz moved, seconded by Mr. Bowell, that an humble address be presented to His Excellency the Governor General, for copies of all correspondence from Indians and others in the province of Manitoba with the Government, on the subject of the dissatisfaction prevailing among the Chiefs, Headmen and Indians, treated with in Manitoba and adjacent territories, in the year 1871.

Dr. Schultz, in moving the address said—

"I have made this motion, Mr. Speaker, mainly to enable me to place before this honorable House, some facts in connection with the Indians of the North-West, which, I trust, will be considered of sufficient importance at least to induce hon. gentlemen to investigate for themselves a subject, which, for the first time, has become a really important one in this country.

While everyone felt pleased when the long negotiations between Canada and the Hudson Bay Company drew to a close, and proud of the Imperial proclamation of 15th July, 1870, which added 3,000,000 square miles to the area of the Dominion; few remembered however at the time that this territory had a population of 38,000 Indians, whose rights by the conditions of the transfer we were bound to recognize, and to whose care and protection we were firmly pledged.

These Indians were, as yet, lords of the soil, their rights, at least in their own country, none disputed, and yet while people grumbled at the one million and a half which was paid by us to extinguish the intangible title of the Hudson Bay Company, and regretted that this corporation should have been allowed to retain one-twentieth of all the land, together with large special reserves around their posts, few reflected that the money paid the Hudson Bay Company was not all the cost, and that we must yet buy from those who owned and possessed them, the very lands that we were so graciously giving this company the one-twentieth of.

Still, for better or for worse, the deed is done, the bargain concluded, the money paid, and the responsibilities incurred, and Canada, appreciating the future which awaits her, has grappled with the question of filling these newly acquired valleys with the teeming population of the old world; we have projected railways over them, and canals through them; we have taken steps to make the rocks yield their rich and varied contents, and the rivers their golden sands. Discussion after discussion has taken place in this House, from apparently every possible point of view in regard to the development of this region, but I fail to remember one single word that would indicate the slightest consideration for those who are now happy and content on its hunting grounds, and to whom the carrying out of these projects means, unless a wise legislation interferes, gradual but inevitable destruction. Population and railway communication we must have, but let us never forget that the cuttings of the railroad will desecrate many an Indian burying ground, and that the plough of the settlers along its line will pass through many an Indian hearth, that is bright with fire to-day.

At this moment, there is a condition of profound peace among the Indian tribes north of the international boundary. In any part of this vast region the life of a white man is safe; no lodge would refuse him its shelter, and its food would be shared without the expectation of reward. They are absolute lords as yet of their hunting grounds; the half-breeds, it is true, are allowed to participate as a right in common with themselves, but parties of Englishmen and others, hunting for pleasure, are compelled to pay a royalty for the privilege, to those masters of the soil. I mention the fact, sir, of the state of peace which exists among the British Indians because of its contrast to the state of affairs in the Indian country of the United States. There, the most ordinary surveying party has to be protected by a strong detachment of troops, and a condition of things exists which would seem to show that all faith between the contracting parties to treaties has passed away, and that the cruel strife will only end when the last Indian has uttered his death cry.

Hon. gentlemen will admit that the contrast is great, and I respectfully submit that there is no public question of the day more worthy of the consideration of this House than the determination of a policy which will ensure a continuance of the peace which exists, and the avoidance of those Indian wars which are always characterized by brutal outrages, and enormous expense. Allow me to cite one instance only among the many such which have occurred in the United States: west of the Red River, and south of the boundary line is the country of the Sioux Indians, corresponding to our Cree tribe, who occupy a similar geographical position on our side of the boundary. These tribes are about equal in numbers; both are Indians of the prairie, practiced horsemen and excellent shots. Ten years ago, this tribe of Sioux were in as profound a state of peace with the United States as the Crees are now with us; but a grievance had been growing; the conditions of their treaties had not been carried out; remonstrances to their agents had been pigeon-holed in official desks; warnings from half-breeds and traders who knew their language had been poo-poohed by the apostles of red tape, till suddenly, the wail of the massacre of 1863 echoed through the land. Western Minnesota was red with the blood of the innocent, and for hundreds of miles the prairie horizon was lit with burning dwellings in which the shrieks of women and children had been silenced by the tomahawk of the savage. The military power of the United States was of course called into requisition; but the movement of regular troops was slow, while that of the Indian was like the "pestilence which stalks in darkness." Where least expected; where farthest removed from military interference; in the dead of night they appeared, and the morning sun rose on the ghastly faces of the dead, and the charred remains of their once happy homes.

Trained soldiers in the end overcame the savage; but not until a country as large as Nova Scotia had been depopulated; not until the terror had diverted the stream of foreign immigration to more southern fields, and not until three military expeditions, on three successive years, had traversed the Indian country, at an expenditure to the United

States government of many millions of dollars, and necessitated since that time the maintenance of ten military posts, with permanent garrisons of three thousand men.

It needs, sir, no argument to show that in Indian difficulties of this sort, prevention is better than cure. Americans admit that this tribe of Sioux were the best, when fairly treated, that the Government had had dealings with, and confess that in very many cases the complaints of the Indians were only too well founded, and it is for us to profit by the bitter lessons in Indian matters which experience has taught them. Fortunately for us, we commence our relations with them in the best possible manner; they have to us no hereditary hatreds, no traditions passing from tribe to tribe of broken faith and unfulfilled promises; and it is only necessary for us to determine a policy which will be fair to them, and to convince them that our promises will be rigidly kept, to ensure to us a continuance of the present state of peace which exists.

I am perfectly well aware that an opinion prevails throughout the older provinces that there is no danger of difficulty with the Western Indians, because we have had heretofore no serious difficulty with them in the present settled portions of Canada. I know that the fact of these Indians, American as well as English, almost religiously preserving the medals given to their forefathers in George the Third's time, will be cited as a proof of their hereditary loyalty to the crown, and an argument against the possibility of difficulties; and, while I am prepared to admit that this sentiment among them will make it less difficult to preserve peace, still I warn honorable gentlemen against placing too much reliance on that which is at best but a very intangible idea of the relations between the crown and themselves, and that whenever they are convinced that they have been unfairly dealt with, or, as they themselves would express it, "the face of 'Okemaqua,' their great mother, has been hid from them," that the feeling of injustice will produce the same results north of the 49th parallel as they have to the south, notwithstanding the sentiment of loyalty to the British Queen which undoubtedly exists. I have cited our Cree nation in connection with the American Sioux, because the lands of that tribe will be first required by the Dominion, and to draw attention to the fact that difficulty with them would be attended with the same apalling results, the same enormous expense as in the case of the war between the United States and the Sioux.

In the determination of an Indian policy, sir, we have unfortunately very little to gain from past experience. The circumstances under which the Indians of the older provinces were treated with are utterly different from those of the present day. Then the advance of settlement was slow, and the Indian continued to hunt over and enjoy, in many cases for fifty years after, the lands that he was receiving yearly payment for. The process of change was so slow that he scarcely felt it, and when he did, a change of location to a short distance remedied the evil. These were the days when railroads were not, and when even colonization roads followed instead of preceded the settler. In our days the case is different, and particularly so in a country where farms are made in one year instead of the fifteen which was once necessary in older Canada. Now, the embers of the treaty council fire will scarcely be cool till the Railway Engineer is locating his line, and two years will scarcely pass till the scream of the locomotive will echo where buffalo feed to-day. Here will be no gradual, imperceptible change as with the Indians of the older provinces; we know that our occupation of the Saskatchewan valley means the dissapearance of the buffalo and other prairie animals; we know that to the prairie Indians these animals are more than manna was to the wandering Israelite; their flesh feeds him, their skins clothe him, and their hides form the house he lives in. The question, then, to consider is: What are we to give him in compensation for his hunting grounds? A railroad we must have; settlers along its line is a natural consequence; and the first step towards this end must be a treaty with the present occupants. Now, sir, I take it for granted that the Government have as yet decided upon no special policy, that they are willing, perhaps anxious, to hear an expression of the views of this House. It is true that two treaties—those of 1871—have already been made, very much on the same terms as the treaties of the last century; but, sir, the papers which I hope to have brought down by the moving of this address will show that these treaties have not been satisfactory to the Indians, who, through their head chief "Miskokanew," the chiefs Les Grand Oreilles, Yellow Quill and others, have protested against them, and in some cases have refused to receive the stipulated annuity. Briefly stated, these treaties consist of the surrender of 30,-000,000 acres of land on the one side, and the payment of an annuity of three dollars per capita, a reserve of land equal to 160 acres to a family of six, some gaudy clothing and a wagon to the chiefs, and a plough, harrow and schoolmaster to each reservation. Now, sir, the sum paid is inadequate to the commonest wants of an Indian! It will not buy him the tobacco he smokes, nor the powder and shot he uses, much less the woollen clothing and covering which the disappearance of the larger animals has necessitated his using.

Let us consider the matter fairly and see whether we would be doing justice to the Indians in making these treaties the models of all subsequent ones. East of the Rocky Mountains we have acquired an Indian Territory of three million square miles; on it there is a population of thirty-eight thousand Indians; the individual Indian, then, in an average treaty, cedes to the Government forty square miles of country; this forty square miles of country at present supplies him with

his food, his clothing and his house; the smaller fur-bearing animals on it give him the means of acquiring what he needs of European manufacture. The moment he concludes a treaty for lands desirable for agricultural or railroad purposes, but two courses are open to him—either to remain and starve, where once he revelled in plenty, or totally change his habits and adopt those of the incoming race, in wresting from the soil a subsistence. The idea that he can do the latter on a payment of three dollars annually, is of course an absurdity, the glaring nature of which is all the more apparent when we reflect that when we have brought him within the pale of civilization, we compel him to pay several dollars annually to the state, on the tobacco he smokes, the tea that he drinks, and the blankets and clothes that he wears. The proposition is an absurdity; we take from him his heritage in the Saskatchewan Valley —say forty square miles to each; we compel him in our duties on imports to contribute several dollars yearly towards the state, and we magnanimously propose to pay him three dollars a year for life. Our laws declare him a minor, and yet we drive as hard a bargain with him as though he were a land-jobber, and when other arguments have failed to make him accept the terms, we plainly give him to understand, in a spirit of civilized barbarity, that might is right, and that we will have his lands. Any qualms of conscience on our parts are apt to be satisfied by platitudes about the march of civilization and the domination of the Anglo-Saxon race, judiciously forgetting that it is not so many hundreds of years ago that our British ancestors bore about the same relation to their Roman invaders that the Indian bears to us, and that we think quite proper, nay, even heroic, these Britons having opposed their naked and tattoed breasts to the advance of the well-armed Romans.

You can trace a melancholy similarity in the reason which Indian orators give as the cause of their wars and consequent misfortunes. With "Brant" and "Blackhawk," "Pontiac," "Logan," "Powatan," "Tecumseh," and the "Prophet," the cause assigned is the same. It is the same story of the encroachment of the whites; the failing of the game; the inadequate compensation. "Tecumseh" characterizes his nation as "once a happy race made miserable by the white people always encroaching;" "Blackhawk" tells us that "he went to the Great Father and he gave us fair words and great promises, but no satisfaction; there were no deer in the forest; the opossum and the beaver had fled, and our squaws and papooses starved:" and "Red Jacket," a Seneca Chief, sums up the argument in one of his great speeches, as follows: "Brothers, listen to what I have to say: there was a time when our forefathers owned this land; their seats extended from the rising to the setting sun; the Great Spirit made it for the use of the Indians, but an evil day came upon us when the white man crossed the Great Waters; he told us that he was flying from wicked men, and wanted a small seat in our country; in pity for them we granted their request and gave them corn and meat while they gave us poison in return; at length their numbers increased, they wanted more land, they wanted our whole country, and at last our eyes were opened."

The Indians treated with in 1871 are dissatisfied with the treaty. Unaccustomed in the interior to the use of money, they formed a very incorrect idea of the value of the bank bills in which they were paid. In the case of the first payment at Fort Francis, on Rainy Lake, they hurried to the Hudson Bay Company's trading establishment at that place to test the value of those strange papers. Soon they found that three dollars only represented three pounds of tobacco, or two-and-a-half pounds of tea, or five yards of print. Dissatisfaction was the result, and an Indian Chief, in handing back the three dollars he had received, said, "I do not want it; it will take me three years to buy a coat." They found they could only procure with the money what they could get for a single mink skin, and this band have since refused to treat with the Government.

To me it seems, sir, that there is only one course open: we must civilize the Indian by weaning him from the chase to the cultivation of the soil. I know that the Americans, after immense appropriations of money to that end, have come to the conclusion that this is impossible; but, sir, I am proud to say that we have a direct contradiction of their proposition in the numerous settlements of Christian Indians about our missions, where the Indian nature has so far changed as to make him in point of industry, of truthfulness, and of obedience to the laws, the equal at least of the average white man.

We are bound by the transfer to protect the Indians of the North-West; they are consequently at this moment the wards of the Government. While it will be the easiest thing in the world by the adoption of an unwise policy to sow the seeds of everlasting enmity, yet I hold that is equally possible by wise measures to retain their friendship even while we are yet purchasing their lands; that, in fact, we can economize him, if I may be allowed the expression, while we are protecting him. To do this, I hold that treaties must be made with them on a more liberal basis than those of 1871. Instead of a perpetual annuity, I would suggest a much larger sum annually, for a stipulated period, say 21 years; instead of a payment in money, I would be in favor of giving him indispensible articles of European manufacture or growth, and of stipulating that a very large proportion devoted to each band on a reservation, should be applied to the purchase of agricultural implements and oxen, and the payment of native farmers competent to instruct them in cultivating the soil; instead of the present reserve of 160 acres among a family of six, I would suggest at least 160 acres

to each individual, and stipulate that the reservation should be situated near some well known fishing ground, and be far removed as possible from centres of white population and much travelled highways; and, lastly, I would advise that provision be made for his education in our language and his own. If hon. gentlemen feel that to do this would entail too great a tax on the finances of the country, I would respectfully suggest that a reservation of one section out of each surveyed township, as in the case of school lands, would by its sale at a time when its value had been enhanced by contiguous settlement, provide a fund which would materially lessen the amount necessary to be appropriated for the Indian Department.

A change from the policy which dictated the treaties of 1871 I hold to be actually necessary. I would regret much to be considered an alarmist, yet I declare from my place in this House my conviction, based on knowledge of the feelings of the Indians, that no more treaties can be made with them on those terms, and it is a question whether, till the existing dissatisfaction of the bands already treated with be dissipated, they will make a treaty at all.

I have heard it rumored with a very great deal of satisfaction, that the Government propose to manage the Indian affairs of the North-West mainly in Manitoba, and that instead of one Commissioner, there will be a board of three, one of whom will be the Governor of Manitoba and the North-West Territories; if so, this is a step in the right direction, and I would earnestly suggest that this Board take early steps to enquire into existing causes of dissatisfaction among the Indians who made the treaties of 1871.

In conclusion, I would remark that the Indian has had few friends; history has done little else for him than record the deeds which he has done in anger and when smarting under a sense of injustice. Poetry and romance have combined to throw a false glamour around his daily life, and it is only when we can be brought to consider that he is only now what our ancestors were not so very long ago,—that he is swayed by the same impulses; governed by the same necessities as ourselves; that we are likely to accord to him the justice which is his due. As political economists, we are bound to endeavor to prevent his either becoming a scourge or a pauper, and to make of him, if we can, a grain or stock-producing, law-abiding citizen of the state; and should we, sir, by the adoption of a sound Indian policy achieve such a result, I cannot but feel that when Canada has taken that place among the nations which her extent, her resources, and her position will one day entitle her to, we can look back with pride and pleasure to measures which have at least have accorded justice, possibly even produced lasting benefit, to a race who upon this continent are now fast passing into History."

Dr. Schultz then resumed: In thanking hon. gentlemen for their indulgence, and the Hon. Dr. McInnes for the kind manner in which he has assisted me, in reading this speech of 1873, I am glad to be able to say that the Government of that day did take into consideration the views expressed by members of the House of Commons and Senate, as well as the valuable experience and advice of devoted men of various missionary bodies, and their desire to deal fairly with the Indians was evinced by the granting of an increased money payment, large reservations provision for farm and school instructors, agricultural implements and cattle to the Indians, afterwards treated with, and the alterations of the conditions of the first treaties so as to grant similar concessions.

In the following summer (1874), the first of a series of treaties was made with the Indians of the plains at the Qu'Appelle Lake, which form an epoch in Indian affairs, inasmuch as they then surrendered a country in which there were few fishing lakes, no extensive forests in which game could shelter and be protected from too rapid extermination, and where the buffalo, then in almost countless numbers, furnished his food, his house, his clothing and bedding, his bow-string, powder-horn, saddle and bridle, and the sale of whose robes rendered easy the procuring of his ammunition, his ornaments and his arms. The preservation of the buffalo then became an important factor in the Indian problem, and three years later their wholesale destruction was a subject of discussion in the House of Commons in 1877, from which I shall take the liberty of reading the views of Hon. Donald A. Smith and myself upon the subject, as expressed upon that occasion, viz. 1877:—

"Mr. Schultz moved for copies of all communications from the first Council of the North-West Territory in regard to the preservation of the buffalo; all communications on the same subject from Indian Commissioners or other Dominion Government officials, and all Orders-in-Council or Acts passed by the present Government of the North West Territories, having this object in view. He said that he had brought up the subject of the preservation of the buffalo last year, and on that occasion had explained that, from various causes, the destruction of the buffalo had been very great indeed, and was becoming greater as the circle wherein they were to be found

was being gradually narrowed. About ten years ago he had seen buffalo east of Red River, and now they were only to be found by going several hundred miles to the west of that stream. Crowded westward by the settlement of the country, and the hunting parties from the Red River settlement, they were now attacked on the north by the hunters from the new settlements on the Saskatchewan, while from the south the hunters of the Missouri made their onslaught. Added to these sources of diminution was the number killed by the Cree and Blackfeet Indians who inhabited the buffalo country proper, and the wolves, together with the loss caused by drowning, made up the quota, which was estimated by the Rev. Father Lacombe, a perfectly reliable authority, to be a destruction of about 80,000 in winter and 80,000 in summer, making a total of 160,000 killed yearly. Unfortunately, too, it was the female buffalo which was selected if possible, her evenly distributed protection from the cold making the best robe, and her flesh being the best for pemmican and dry meat purposes, and hence it was that late travellers reported meeting droves of buffalo in which the proportion of cows was only about one-sixth. Now, while it was a fact that the very existence of the plain tribe of Indians depended upon this valuable animal, it was obviously desirable that they should be preserved as long as possible. The same authority (Father Lacombe) whom he (Mr. Schultz) had already quoted, estimated that at the present rate of destruction, in 8 years the buffalo would be extinct, and was of the opinion that, were a law enforced which would prevent the killing of the cows from first November to first May, and calves at all seasons, in five years the increase would be such that the restriction might be removed. Several years ago, in speaking of the condition of the Indians of the North-West, he (Mr. Schultz) had pointed out the results likely to be occasioned by the entire destruction of the buffalo. The animal was invaluable to the Indians, because its flesh was his food, the hide his house and clothing, while the sale of its robe furnished him with all that he needed of European manufacture. Without this source of supply, the Indian would become a pauper, and, by an easy transition, a marauder. To avert these results it was obvious that the buffalo must be protected, at least, till a time arrived when the Indians who now inhabited these hunting grounds could be weaned from the chase and taught to depend wholly or in part upon agriculture. From one of the Government sources of information he was glad to see their attention directed towards this matter, and hon. gentlemen would find in page 34 of the Minister of the Interior's report the following statement of Mr. Dickinson of that Department, which says :—

"The subject which at present takes precedence of all others in connection with the Indian question in the North-West Territories is the preservation of the buffalo. The rapid decrease in the numbers of the buffalo has become a matter of alarm to the Indians, who see that, unless steps are speedily taken to arrest it their future condition will be one of extreme hardship. That the buffallo are decreasing in number in a rapidly increasing ratio is a fact admitted on all sides. A few years ago they were found in plenty over all the country extending from points eastward of Fort Ellice to the Rocky Mountains, and from the north branch of the Saskatchewan to the United States boundary line. Hemmed in by the American hunters, the Blackfeet, Bloods, Preguns, and kindred tribes of Indians on the south and west, and by the half-breeds, Salteaux and Crees on the north and east, the area over which they then roam has been gradually encroached upon, and their numbers reduced. This summer they have come further east than they have for many years, and were found within a few miles of the Touchwood Hills post, while south of the Qu'Appelle they were reported to have been seen not far from the boundaries of the province of Manitoba. But, while they were thus plentiful in the south and east section of the country I have above referred to, there were few or none to be found in the west and north, and the Blackfeet and other tribes in the east quarters were said to be starving, and following the buffalo eastward. I am aware that this question has already received some consideration on the part of the Government, and that representations have been made by parties better informed than I claim to be, as to the necessity of some action in regard to it. For this reason I will not enter into the matter as fully as I would otherwise have done.

"While at the Qu'Appelle Lake the Cree Chiefs, accompanied by their principal head men, waited upon me, and represented that they were becoming alarmed on account of their means of subsistence failing, and begged me to report what they said to the Government, and to convey their request that something should be done to prevent the entire extermination of the buffalo. To show the importance they attached to this question I may remark that each Chief and his head men separately made the same request. In all my previous intercourse with the Indians I have never seen this course adopted. In discussing other matters, a spokesman is generally chosen who speaks for all, the others merely signify their assent; but in this case it was evident they considered something more was necessary, and adopted this method to express the gravity of their position upon me. In my opinion the buffalo must be protected, or in a few years, not more than ten at the furthest, the whole number of Indians in the North-West, who now rely upon these animals for subsistence, will require to be fed and maintained principally at the expense of the Dominion Government. I can see no other alternative, as it is an impossibility to teach them in a short time to forsake their present mode of life and adopt that of civilized men. The subject is one

which demands and should receive the early consideration of the Government, for the peace and consequent prosperity of the North-West Territories depend in a great measure upon it. Should the buffalo become exterminated, it is not to be expected that the starving Indians will refrain from helping themselves to the supplies to be found in the stores of the Hudson's Bay Company and other traders; compelled by hunger, outrages might be committed by them which would result in an Indian war. These are the views of every one who is well informed regarding the state of the country, and while I admit that the Indians at present are peaceable, well disposed and have every confidence in the Government, I think there can be no doubt that they are correct."

"It would be seen from this statement that Mr. Dickinson corroborated his (Mr. Schultz's) own assertion on several occasions that the Indians themselves fully appreciated the danger to themselves, and would willingly submit to a protective measure, such as suggested by Father Lacombe. When the matter was brought up in the House last session the Premier stated that the Government had the matter under consideration, but as yet they had heard of nothing being done. A new Government had been established in the North-West, and machinery for the enforcement of any preventive measure had been in existence for some time, and he (Mr. Schultz) could not but believe that some one was to blame for the neglect of this important matter. Hundreds of thousands of dollars were being spent for the maintenance of a Government and police force in the North-West. The treaties made were not likely to be satisfactory to the Indians when the settlements of the country pressed upon them, and it was clearly the duty of the Government, who were by law constituted the guardians of this little-understood and often-traduced race, to see that, while by the stipulations of their treaties they were allowed to hunt over the land which, often with many misgivings and under pressure of necessity they had sold, this game, the best gift, in their opinion, that the Great Spirit had given, should be preserved to them and for their use against the present wholesale destruction and inevitable extermination."

"The Hon. Donald A. Smith (Selkirk) said he was happy to be able to concur entirely with the hon. member for Lisgar (Mr. Schultz) It was very necessary that some steps should be taken to prevent the entire destruction of the buffalo in the North-West. This was a matter in which there might be reciprocity with the United States. We should give them the same measure which they gave us. They did not permit any except American citizens to go to their territories and trade and hunt, and even their own citizens were forced to get licenses. The slaughter and disappearance of the buffalo was owing in a large measure to the inducements held out to American traders. A large number of the robes went to the other side, and, while the Canadian trader lost profit so far as this was concerned, the buffalo were also rapidly decreasing, or rather, gradually but surely being killed out. He hoped that the Government would be able to devise some means to exclude to some extent the ingress of American traders and also, as far as possible, to give protection to the buffalo."

It is now, Dr. Schultz said, over 360 years since the Spaniards first saw a herd of buffalo low down the Mississippi valley, and they are since known to have existed then in millions. The advance of settlement and the building of the Union Pacific Railway have within our own time confined them between the Missouri and the Saskatchewan, and when Canada acquired the North-west in 1869, the larger part of those which remained were to be found north of the boundary line. Where are they now? My good friend Father Lacombe was right in his prediction, for last year witnessed the extinction of the American Bison, the Buffalo of the plains, the animal which the Indians always spoke of as their best friend, the one that had yielded for ages to their forefathers plenty and prosperity; and when civilization had brought to themselves necessities before unknown, a valuable supplement to Government assistance. The extermination of the buffalo forms another epoch in Indian affairs, and brings us face to face with a most important phase of the Indian question. What is to become of him under these changed circumstances, is a question that demands speedy solution. What we are to do with him must be determined by us. Is he now to become a scourge or a pauper, or shall we make of him a law-abiding, grain and cattle producing citizen of the state? In the solution of these grave questions may God grant wisdom to our councils, and that spirit of tolerance among our people towards them which should follow the reflection that they are as yet but half savages who only now, when hunger is pressing them sorely, are beginning to understand the value of the birthright which they yielded to us so easily and so cheaply.

HON. SIR ALEX. CAMPBELL—I very heartily and sincerely congratulate my hon. friend who has made this motion, on his ability to go through the fatiguing task which he has set himself, so com-

pletely and satisfactorily to the House I am sure, as well as to himself. Nothing but the strong force of will which my hon. friend is characterized by could have enabled him to accomplish as well as he has done the duty which he thought it necessary to perform to-day. I agree with him as to the responsibility of the Government; I agree with him as to the difficulty of the task which is before the Government and before the people of this country, in dealing with the Indian race in the North West. So far as the Government have been enabled to deal with them up to this moment, we have endeavored to meet the circumstances which have been occasioned by the destruction of the buffalo. The calamity which has befallen the Indian race in the loss of the buffalo is of course overwhelming; it has rendered the task of dealing with the Indians more difficult. So far as the Government have been able to give them farm instructors, and cattle and implements, and opportunities to become agriculturists or herdsmen, Very great and strenuous efforts have been made, as my hon. friend knows, both by the Mackenzie government and their predecessors, and the present administration has since followed it up, of late years at great expense. I do not think there is any disposition on the part of the people of Canada to grudge what is necessary to deal fairly with the Indians or to meet the difficulties which have been occasioned by the destruction of the buffalo; and in endeavoring to feed them, while it is necessary to feed them, hon. gentlemen will agree with us that we should not in so dealing with them reduce them to the condition of paupers—that we should endeavor, while we prevent them from suffering from starvation, to distribute the rations that is given to them in such a way as to induce them to labor for existence as herdsmen or tillers of the soil. I must admit that it is a difficult task, the accomplishment of which we can only look for in a modified degree at the end of many years. The problem is certainly one of the most difficult that the people of this country have to deal with, and I agree with my hon. friend in the wish he expresses that this Government, or any future government who may have to deal with the Indians, may deal with them in fairness and with that spirit of honesty which for so many years has characterized the dealings of the Hudson Bay Company with them, and has given to this country a heritage of great value and importance, and secured from them full confidence in the promises and good faith of the Government.

It has been the earnest and anxious desire, I am sure, of every Government in Canada since the acquisition of the territory, so to deal with the Indians as to retain their confidence, and to endeavor as far as possible to ameliorate their condition, and to meet the very trying circumstances in which the destruction of the buffalo has placed them. There is no objection to the address, and I hope it may be the means of assisting my hon. friend in the task which he has set for himself, a task which, if his health is spared to him, he is likely to accomplish and thereby render very great service to the country.

Hon. Mr. Alexander—I do not feel that any member of this House could add anything to the clear and lucid statement of the hon. gentleman from Winnipeg, and never was a statement upon so grave a subject made at a more opportune moment to Parliament. I should be sorry to add one word to destroy the effect of the admirable statement which the hon. member has made, and I only rise to express the hope that the speech which the hon. gentleman has now delivered will make an impression upon the members of the Government of this country. It is the duty of the Government of the day to make the solution of this problem of the management of the Indian tribes a matter of the gravest consideration. As the hon. gentleman says in his lucid statement, we have destroyed the hunting grounds of the poor Indians, and we know that they are instinctively so constituted that we cannot rapidly make them cultivators of the soil. There is no subject at this moment which ought to engross more the study and consideration of our rulers, and I join my prayer with that of the hon. gentleman who has done his duty so nobly to-day in calling the earnest attention of those Ministers here to the subject, and I hope the Government will give it their best attention, for the future of the country depends very much on their following the excellent advice of the hon. member from Winnipeg.

THE INDIAN QUESTION.

Extract from Official Report of

SENATE DEBATES

Ottawa, Thursday, 16th April, 1885.

THE INDIANS OF THE CANADIAN NORTH-WEST.

MOTION.

HON. MR. SCHULTZ moved that an humble address be presented to His Excellency the Governor-General, praying that he will cause to be laid before this House copies of all correspondence between the Government of the United States and that of Canada, relative to the presence of American Indians on Canadian soil; all communications from officers of the Mounted Police upon that subject, and all Orders-in-Council or Departmental Instructions relating thereto, which have not already been published in the Annual Report of the Indian Branch of the Department of the Interior; also, an estimate of the increase or decrease of the Indian population of the North-West, based upon the numbers who were paid at the various treaties made in 1871, and subsequent years, and the number now paid; such information regarding the number of Indians who have adopted agricultural pursuits not hitherto printed, and copies of complaints (if any) from the Aborigines' Protection Society, the bishops and clergy of the various missionary bodies in the North-West, and from others, regarding the treatment of the Indians of the North West; also, an approximate estimate of the cost of food supplies furnished to these Indians since Treaty No. 1, in 1871.

He said: I desire to explain to hon. gentlemen that this notice of motion was given by me before news came of Half-breed and Indian troubles in the North-West, and as no definite information has yet been obtained as to the extent of their sympathy with, or participation in, the Half-breed rising on the Saskatchewan, it would be premature and possibly ill-advised to discuss the present condition of the Indians of the North-West and their relations with the Government till the facts are fully known. I shall, however, endeavor to recall some of the various important changes which have occurred in the conditions surrounding the Indians since they were first treated with in the fall of 1871, and to do this will take the liberty of reading a speech which I delivered in the House of Commons in March, 1873, on a notice of motion for copies of correspondence bearing upon certain matters of discontent existing among the Indians of Treaties Nos. 1 and 2; as illustrating the condition of the Indians before settlement had pressed hardly upon them, and while yet the larger game and fur-bearing animals were to be found in comparative abundance.

As I am yet weak from recent illness, I respectfully ask the indulgence of the House in allowing my friend the Hon. Dr. McInnis to read the speech which I refer to for me.

HON. GENTLEMEN—Hear! hear!

(Permission being granted, Dr. McInnis then read the speech of March, 1873):—

"Dr. Schultz moved, seconded by Mr. Bowell, that an humble address be presented to His Excellency the Governor General, for copies of all correspondence from Indians and others in the province of Manitoba with the Government, on the subject of the dissatisfaction prevailing among the Chiefs, Headmen and Indians, treated with in Manitoba and adjacent territories, in the year 1871.

Dr. Schultz, in moving the address said—

"I have made this motion, Mr. Speaker, mainly to enable me to place before this honorable House, some facts in connection with the Indians of the North-West, which, I trust, will be considered of sufficient importance at least to induce hon. gentlemen to investigate for themselves a subject, which, for the first time, has become a really important one in this country.

While everyone felt pleased when the long negotiations between Canada and the Hudson Bay Company drew to a close, and proud of the Imperial proclamation of 15th July, 1870, which added 3,000,000 square miles to the area of the Dominion; few remembered however at the time that this territory had a population of 38,000 Indians, whose rights by the conditions of the transfer we were bound to recognize, and to whose care and protection we were firmly pledged.

These Indians were, as yet, lords of the soil, their rights, at least in their own country, none disputed, and yet while people grumbled at the one million and a half which was paid by us to extinguish the intangible title of the Hudson Bay Company, and regretted that this corporation should have been allowed to retain one-twentieth of all the land, together with large special reserves around their posts, few reflected that the money paid the Hudson Bay Company was not all the cost, and that we must yet buy from those who owned and possessed them, the very lands that we were so graciously giving this company the one-twentieth of.

Still, for better or for worse, the deed is done, the bargain concluded, the money paid, and the responsibilities incurred, and Canada, appreciating the future which awaits her, has grappled with the question of filling these newly acquired valleys with the teeming population of the old world; we have projected railways over them, and canals through them; we have taken steps to make the rocks yield their rich and varied contents, and the rivers their golden sands. Discussion after discussion has taken place in this House, from apparently every possible point of view in regard to the development of this region, but I fail to remember one single word that would indicate the slightest consideration for those who are now happy and content on its hunting grounds, and to whom the carrying out of these projects means, unless a wise legislation interferes, gradual but inevitable destruction. Population and railway communication we must have, but let us never forget that the cuttings of the railroad will desecrate many an Indian burying ground, and that the plough of the settlers along its line will pass through many an Indian hearth, that is bright with fire to-day.

At this moment, there is a condition of profound peace among the Indian tribes north of the international boundary. In any part of this vast region the life of a white man is safe; no lodge would refuse him its shelter, and its food would be shared without the expectation of reward. They are absolute lords as yet of their hunting grounds; the half-breeds, it is true, are allowed to participate as a right in common with themselves, but parties of Englishmen and others, hunting for pleasure, are compelled to pay a royalty for the privilege, to those masters of the soil. I mention the fact, sir, of the state of peace which exists among the British Indians because of its contrast to the state of affairs in the Indian country of the United States. There, the most ordinary surveying party has to be protected by a strong detachment of troops, and a condition of things exists which would seem to show that all faith between the contracting parties to treaties has passed away, and that the cruel strife will only end when the last Indian has uttered his death cry.

Hon. gentlemen will admit that the contrast is great, and I respectfully submit that there is no public question of the day more worthy of the consideration of this House than the determination of a policy which will ensure a continuance of the peace which exists, and the avoidance of those Indian wars which are always characterized by brutal outrages, and enormous expense. Allow me to cite one instance only among the many such which have occurred in the United States: west of the Red River, and south of the boundary line is the country of the Sioux Indians, corresponding to our Cree tribe, who occupy a similar geographical position on our side of the boundary. These tribes are about equal in numbers; both are Indians of the prairie, practiced horsemen and excellent shots. Ten years ago, this tribe of Sioux were in as profound a state of peace with the United States as the Crees are now with us; but a grievance had been growing; the conditions of their treaties had not been carried out; remonstrances to their agents had been pigeon-holed in official desks; warnings from half-breeds and traders who knew their language had been poo-poohed by the apostles of red tape, till suddenly, the wail of the massacre of 1863 echoed through the land. Western Minnesota was red with the blood of the innocent, and for hundreds of miles the prairie horizon was lit with burning dwellings in which the shrieks of women and children had been silenced by the tomahawk of the savage. The military power of the United States was of course called into requisition; but the movement of regular troops was slow, while that of the Indian was like the "pestilence which stalks in darkness." Where least expected; where farthest removed from military interference; in the dead of night they appeared, and the morning sun rose on the ghastly faces of the dead, and the charred remains of their once happy homes.

Trained soldiers in the end overcame the savage; but not until a country as large as Nova Scotia had been depopulated; not until the terror had diverted the stream of foreign immigration to more southern fields, and not until three military expeditions, on three successive years, had traversed the Indian country, at an expenditure to the United

States government of many millions of dollars, and necessitated since that time the maintenance of ten military posts, with permanent garrisons of three thousand men.

It needs, sir, no argument to show that in Indian difficulties of this sort, prevention is better than cure. Americans admit that this tribe of Sioux were the best, when fairly treated, that the Government had had dealings with, and confess that in very many cases the complaints of the Indians were only too well founded, and it is for us to profit by the bitter lessons in Indian matters which experience has taught them. Fortunately for us, we commence our relations with them in the best possible manner; they have to us no hereditary hatreds, no traditions passing from tribe to tribe of broken faith and unfulfilled promises; and it is only necessary for us to determine a policy which will be fair to them, and to convince them that our promises will be rigidly kept, to ensure to us a continuance of the present state of peace which exists.

I am perfectly well aware that an opinion prevails throughout the older provinces that there is no danger of difficulty with the Western Indians, because we have had heretofore no serious difficulty with them in the present settled portions of Canada. I know that the fact of these Indians, American as well as English, almost religiously preserving the medals given to their forefathers in George the Third's time, will be cited as a proof of their hereditary loyalty to the crown, and an argument against the possibility of difficulties; and, while I am prepared to admit that this sentiment among them will make it less difficult to preserve peace, still I warn honorable gentlemen against placing too much reliance on that which is at best but a very intangible idea of the relations between the crown and themselves, and that whenever they are convinced that they have been unfairly dealt with, or, as they themselves would express it, "the face of 'Okemaqua,' their great mother, has been hid from them," that the feeling of injustice will produce the same results north of the 49th parallel as they have to the south, notwithstanding the sentiment of loyalty to the British Queen which undoubtedly exists. I have cited our Cree nation in connection with the American Sioux, because the lands of that tribe will be first required by the Dominion, and to draw attention to the fact that difficulty with them would be attended with the same apalling results, the same enormous expense as in the case of the war between the United States and the Sioux.

In the determination of an Indian policy, sir, we have unfortunately very little to gain from past experience. The circumstances under which the Indians of the older provinces were treated with are utterly different from those of the present day. Then the advance of settlement was slow, and the Indian continued to hunt over and enjoy, in many cases for fifty years after, the lands that he was receiving yearly payment for. The process of change was so slow that he scarcely felt it, and when he did, a change of location to a short distance remedied the evil. These were the days when railroads were not, and when even colonization roads followed instead of preceded the settler. In our days the case is different, and particularly so in a country where farms are made in one year instead of the fifteen which was once necessary in older Canada. Now, the embers of the treaty council fire will scarcely be cool till the Railway Engineer is locating his line, and two years will scarcely pass till the scream of the locomotive will echo where buffalo feed to-day. Here will be no gradual, imperceptible change as with the Indians of the older provinces; we know that our occupation of the Saskatchewan valley means the dissapearance of the buffalo and other prairie animals; we know that to the prairie Indians these animals are more than manna was to the wandering Israelite; their flesh feeds him, their skins clothe him, and their hides form the house he lives in. The question, then, to consider is: What are we to give him in compensation for his hunting grounds? A railroad we must have; settlers along its line is a natural consequence; and the first step towards this end must be a treaty with the present occupants. Now, sir, I take it for granted that the Government have as yet decided upon no special policy, that they are willing, perhaps anxious, to hear an expression of the views of this House. It is true that two treaties—those of 1871—have already been made, very much on the same terms as the treaties of the last century; but, sir, the papers which I hope to have brought down by the moving of this address will show that these treaties have not been satisfactory to the Indians, who, through their head chief "Miskokanew," the chiefs Les Grand Oreilles, Yellow Quill and others, have protested against them, and in some cases have refused to receive the stipulated annuity. Briefly stated, these treaties consist of the surrender of 30,000,000 acres of land on the one side, and the payment of an annuity of three dollars per capita, a reserve of land equal to 160 acres to a family of six, some gaudy clothing and a wagon to the chiefs, and a plough, harrow and schoolmaster to each reservation. Now, sir, the sum paid is inadequate to the commonest wants of an Indian! It will not buy him the tobacco he smokes, nor the powder and shot he uses, much less the woollen clothing and covering which the disappearance of the larger animals has necessitated his using.

Let us consider the matter fairly and see whether we would be doing justice to the Indians in making these treaties the models of all subsequent ones. East of the Rocky Mountains we have acquired an Indian Territory of three million square miles; on it there is a population of thirty-eight thousand Indians; the individual Indian, then, in an average treaty, cedes to the Government forty square miles of country; this forty square miles of country at present supplies him with

his food, his clothing and his house; the smaller fur-bearing animals on it give him the means of acquiring what he needs of European manufacture. The moment he concludes a treaty for lands desirable for agricultural or railroad purposes, but two courses are open to him—either to remain and starve, where once he revelled in plenty, or totally change his habits and adopt those of the incoming race, in wresting from the soil a subsistence. The idea that he can do the latter on a payment of three dollars annually, is of course an absurdity, the glaring nature of which is all the more apparent when we reflect that when we have brought him within the pale of civilization, we compel him to pay several dollars annually to the state, on the tobacco he smokes, the tea that he drinks, and the blankets and clothes that he wears. The proposition is an absurdity; we take from him his heritage in the Saskatchewan Valley—say forty square miles to each; we compel him in our duties on imports to contribute several dollars yearly towards the state, and we magnanimously propose to pay him three dollars a year for life. Our laws declare him a minor, and yet we drive as hard a bargain with him as though he were a land-jobber, and when other arguments have failed to make him accept the terms, we plainly give him to understand, in a spirit of civilized barbarity, that might is right, and that we will have his lands. Any qualms of conscience on our parts are apt to be satisfied by platitudes about the march of civilization and the domination of the Anglo-Saxon race, judiciously forgetting that it is not so many hundreds of years ago that our British ancestors bore about the same relation to their Roman invaders that the Indian bears to us, and that we think quite proper, nay, even heroic, these Britons having opposed their naked and tattoed breasts to the advance of the well-armed Romans.

You can trace a melancholy similarity in the reason which Indian orators give as the cause of their wars and consequent misfortunes. With "Brant" and "Blackhawk," "Pontiac," "Logan," "Powatan," "Tecumseh," and the "Prophet," the cause assigned is the same. It is the same story of the encroachment of the whites; the failing of the game; the inadequate compensation. "Tecumseh" characterizes his nation as "once a happy race made miserable by the white people always encroaching;" "Blackhawk" tells us that "he went to the Great Father and he gave us fair words and great promises, but no satisfaction; there were no deer in the forest; the opossum and the beaver had fled, and our squaws and papooses starved:" and "Red Jacket," a Seneca Chief, sums up the argument in one of his great speeches, as follows: "Brothers, listen to what I have to say: there was a time when our forefathers owned this land; their seats extended from the rising to the setting sun; the Great Spirit made it for the use of the Indians, but an evil day came upon us when the white man crossed the Great Waters; he told us that he was flying from wicked men, and wanted a small seat in our country; in pity for them we granted their request and gave them corn and meat while they gave us poison in return; at length their numbers increased, they wanted more land, they wanted our whole country, and at last our eyes were opened."

The Indians treated with in 1871 are dissatisfied with the treaty. Unaccustomed in the interior to the use of money, they formed a very incorrect idea of the value of the bank bills in which they were paid. In the case of the first payment at Fort Francis, on Rainy Lake, they hurried to the Hudson Bay Company's trading establishment at that place to test the value of those strange papers. Soon they found that three dollars only represented three pounds of tobacco, or two-and-a-half pounds of tea, or five yards of print. Dissatisfaction was the result, and an Indian Chief, in handing back the three dollars he had received, said, "I do not want it; it will take me three years to buy a coat." They found they could only procure with the money what they could get for a single mink skin, and this band have since refused to treat with the Government.

To me it seems, sir, that there is only one course open: we must civilize the Indian by weaning him from the chase to the cultivation of the soil. I know that the Americans, after immense appropriations of money to that end, have come to the conclusion that this is impossible; but, sir, I am proud to say that we have a direct contradiction of their proposition in the numerous settlements of Christian Indians about our missions, where the Indian nature has so far changed as to make him in point of industry, of truthfulness, and of obedience to the laws, the equal at least of the average white man.

We are bound by the transfer to protect the Indians of the North-West; they are consequently at this moment the wards of the Government. While it will be the easiest thing in the world by the adoption of an unwise policy to sow the seeds of everlasting enmity, yet I hold that is equally possible by wise measures to retain their friendship even while we are yet purchasing their lands; that, in fact, we can economize him, if I may be allowed the expression, while we are protecting him. To do this, I hold that treaties must be made with them on a more liberal basis than those of 1871. Instead of a perpetual annuity, I would suggest a much larger sum annually, for a stipulated period, say 21 years; instead of a payment in money, I would be in favor of giving him indispensible articles of European manufacture or growth, and of stipulating that a very large proportion devoted to each band on a reservation, should be applied to the purchase of agricultural implements and oxen, and the payment of native farmers competent to instruct them in cultivating the soil; instead of the present reserve of 160 acres among a family of six, I would suggest at least 160 acres

to each individual, and stipulate that the reservation should be situated near some well known fishing ground, and be far removed as possible from centres of white population and much travelled highways; and, lastly, I would advise that provision be made for his education in our language and his own. If hon. gentlemen feel that to do this would entail too great a tax on the finances of the country, I would respectfully suggest that a reservation of one section out of each surveyed township, as in the case of school lands, would by its sale at a time when its value had been enhanced by contiguous settlement, provide a fund which would materially lessen the amount necessary to be appropriated for the Indian Department.

A change from the policy which dictated the treaties of 1871 I hold to be actually necessary. I would regret much to be considered an alarmist, yet I declare from my place in this House my conviction, based on knowledge of the feelings of the Indians, that no more treaties can be made with them on those terms, and it is a question whether, till the existing dissatisfaction of the bands already treated with be dissipated, they will make a treaty at all.

I have heard it rumored with a very great deal of satisfaction, that the Government propose to manage the Indian affairs of the North-West mainly in Manitoba, and that instead of one Commissioner, there will be a board of three, one of whom will be the Governor of Manitoba and the North-West Territories; if so, this is a step in the right direction, and I would earnestly suggest that this Board take early steps to enquire into existing causes of dissatisfaction among the Indians who made the treaties of 1871.

In conclusion, I would remark that the Indian has had few friends; history has done little else for him than record the deeds which he has done in anger and when smarting under a sense of injustice. Poetry and romance have combined to throw a false glamour around his daily life, and it is only when we can be brought to consider that he is only now what our ancestors were not so very long ago,—that he is swayed by the same impulses; governed by the same necessities as ourselves; that we are likely to accord to him the justice which is his due. As political economists, we are bound to endeavor to prevent his either becoming a scourge or a pauper, and to make of him, if we can, a grain or stock-producing, law-abiding citizen of the state; and should we, sir, by the adoption of a sound Indian policy achieve such a result, I cannot but feel that when Canada has taken that place among the nations which her extent, her resources, and her position will one day entitle her to, we can look back with pride and pleasure to measures which have at least have accorded justice, possibly even produced lasting benefit, to a race who upon this continent are now fast passing into History."

Dr. Schultz then resumed: In thanking hon. gentlemen for their indulgence, and the Hon. Dr. McInnes for the kind manner in which he has assisted me, in reading this speech of 1873, I am glad to be able to say that the Government of that day did take into consideration the views expressed by members of the House of Commons and Senate, as well as the valuable experience and advice of devoted men of various missionary bodies, and their desire to deal fairly with the Indians was evinced by the granting of an increased money payment, large reservations provision for farm and school instructors, agricultural implements and cattle to the Indians, afterwards treated with, and the alterations of the conditions of the first treaties so as to grant similar concessions.

In the following summer (1874), the first of a series of treaties was made with the Indians of the plains at the Qu'Appelle Lake, which form an epoch in Indian affairs, inasmuch as they then surrendered a country in which there were few fishing lakes, no extensive forests in which game could shelter and be protected from too rapid extermination, and where the buffalo, then in almost countless numbers, furnished his food, his house, his clothing and bedding, his bow-string, powder-horn, saddle and bridle, and the sale of whose robes rendered easy the procuring of his ammunition, his ornaments and his arms. The preservation of the buffalo then became an important factor in the Indian problem, and three years later their wholesale destruction was a subject of discussion in the House of Commons in 1877, from which I shall take the liberty of reading the views of Hon. Donald A. Smith and myself upon the subject, as expressed upon that occasion, viz. 1877 :—

"Mr. Schultz moved for copies of all communications from the first Council of the North-West Territory in regard to the preservation of the buffalo; all communications on the same subject from Indian Commissioners or other Dominion Government officials, and all Orders-in-Council or Acts passed by the present Government of the North West Territories, having this object in view. He said that he had brought up the subject of the preservation of the buffalo last year, and on that occasion had explained that, from various causes, the destruction of the buffalo had been very great indeed, and was becoming greater as the circle wherein they were to be found

was being gradually narrowed. About ten years ago he had seen buffalo east of Red River, and now they were only to be found by going several hundred miles to the west of that stream. Crowded westward by the settlement of the country, and the hunting parties from the Red River settlement, they were now attacked on the north by the hunters from the new settlements on the Saskatchewan, while from the south the hunters of the Missouri made their onslaught. Added to these sources of diminution was the number killed by the Cree and Blackfeet Indians who inhabited the buffalo country proper, and the wolves, together with the loss caused by drowning, made up the quota, which was estimated by the Rev. Father Lacombe, a perfectly reliable authority, to be a destruction of about 80,000 in winter and 80,000 in summer, making a total of 160,000 killed yearly. Unfortunately, too, it was the female buffalo which was selected if possible, her evenly distributed protection from the cold making the best robe, and her flesh being the best for pemmican and dry meat purposes, and hence it was that late travellers reported meeting droves of buffalo in which the proportion of cows was only about one-sixth. Now, while it was a fact that the very existence of the plain tribe of Indians depended upon this valuable animal, it was obviously desirable that they should be preserved as long as possible. The same authority (Father Lacombe) whom he (Mr. Schultz) had already quoted, estimated that at the present rate of destruction, in 8 years the buffalo would be extinct, and was of the opinion that, were a law enforced which would prevent the killing of the cows from first November to first May, and calves at all seasons, in five years the increase would be such that the restriction might be removed. Several years ago, in speaking of the condition of the Indians of the North-West, he (Mr. Schultz) had pointed out the results likely to be occasioned by the entire destruction of the buffalo. The animal was invaluable to the Indians, because its flesh was his food, the hide his house and clothing, while the sale of its robe furnished him with all that he needed of European manufacture. Without this source of supply, the Indian would become a pauper, and, by an easy transition, a marauder. To avert these results it was obvious that the buffalo must be protected, at least, till a time arrived when the Indians who now inhabited these hunting grounds could be weaned from the chase and taught to depend wholly or in part upon agriculture. From one of the Government sources of information he was glad to see their attention directed towards this matter, and hon. gentlemen would find in page 34 of the Minister of the Interior's report the following statement of Mr. Dickinson of that Department, which says :—

"The subject which at present takes precedence of all others in connection with the Indian question in the North-West Territories is the preservation of the buffalo. The rapid decrease in the numbers of the buffalo has become a matter of alarm to the Indians, who see that, unless steps are speedily taken to arrest it their future condition will be one of extreme hardship. That the buffallo are decreasing in number in a rapidly increasing ratio is a fact admitted on all sides. A few years ago they were found in plenty over all the country extending from points eastward of Fort Ellice to the Rocky Mountains, and from the north branch of the Saskatchewan to the United States boundary line. Hemmed in by the American hunters, the Blackfeet, Bloods, Preguns, and kindred tribes of Indians on the south and west, and by the half-breeds, Salteaux and Crees on the north and east, the area over which they then roam has been gradually encroached upon, and their numbers reduced. This summer they have come further east than they have for many years, and were found within a few miles of the Touchwood Hills post, while south of the Qu'Appelle they were reported to have been seen not far from the boundaries of the province of Manitoba. But, while they were thus plentiful in the south and east section of the country I have above referred to, there were few or none to be found in the west and north, and the Blackfeet and other tribes in the east quarters were said to be starving, and following the buffalo eastward. I am aware that this question has already received some consideration on the part of the Government, and that representations have been made by parties better informed than I claim to be, as to the necessity of some action in regard to it. For this reason I will not enter into the matter as fully as I would otherwise have done.

"While at the Qu'Appelle Lake the Cree Chiefs, accompanied by their principal head men, waited upon me, and represented that they were becoming alarmed on account of their means of subsistence failing, and begged me to report what they said to the Government, and to convey their request that something should be done to prevent the entire extermination of the buffalo. To show the importance they attached to this question I may remark that each Chief and his head men separately made the same request. In all my previous intercourse with the Indians I have never seen this course adopted. In discussing other matters, a spokesman is generally chosen who speaks for all, the others merely signify their assent; but in this case it was evident they considered something more was necessary, and adopted this method to express the gravity of their position upon me. In my opinion the buffalo must be protected, or in a few years, not more than ten at the furthest, the whole number of Indians in the North-West, who now rely upon these animals for subsistence, will require to be fed and maintained principally at the expense of the Dominion Government. I can see no other alternative, as it is an impossibility to teach them in a short time to forsake their present mode of life and adopt that of civilized men. The subject is one

which demands and should receive the early consideration of the Government, for the peace and consequent prosperity of the North-West Territories depend in a great measure upon it. Should the buffalo become exterminated, it is not to be expected that the starving Indians will refrain from helping themselves to the supplies to be found in the stores of the Hudson's Bay Company and other traders; compelled by hunger, outrages might be committed by them which would result in an Indian war. These are the views of every one who is well informed regarding the state of the country, and while I admit that the Indians at present are peaceable, well disposed and have every confidence in the Government, I think there can be no doubt that they are correct."

"It would be seen from this statement that Mr. Dickinson corroborated his (Mr. Schultz's) own assertion on several occasions that the Indians themselves fully appreciated the danger to themselves, and would willingly submit to a protective measure, such as suggested by Father Lacombe. When the matter was brought up in the House last session the Premier stated that the Government had the matter under consideration, but as yet they had heard of nothing being done. A new Government had been established in the North-West, and machinery for the enforcement of any preventive measure had been in existence for some time, and he (Mr. Schultz) could not but believe that some one was to blame for the neglect of this important matter. Hundreds of thousands of dollars were being spent for the maintenance of a Government and police force in the North-West. The treaties made were not likely to be satisfactory to the Indians when the settlements of the country pressed upon them, and it was clearly the duty of the Government, who were by law constituted the guardians of this little-understood and often-traduced race, to see that, while by the stipulations of their treaties they were allowed to hunt over the land which, often with many misgivings and under pressure of necessity they had sold, this game, the best gift, in their opinion, that the Great Spirit had given, should be preserved to them and for their use against the present wholesale destruction and inevitable extermination."

"The Hon. Donald A. Smith (Selkirk) said he was happy to be able to concur entirely with the hon. member for Lisgar (Mr. Schultz) It was very necessary that some steps should be taken to prevent the entire destruction of the buffalo in the North-West. This was a matter in which there might be reciprocity with the United States. We should give them the same measure which they gave us. They did not permit any except American citizens to go to their territories and trade and hunt, and even their own citizens were forced to get licenses. The slaughter and disappearance of the buffalo was owing in a large measure to the inducements held out to American traders. A large number of the robes went to the other side, and, while the Canadian trader lost profit so far as this was concerned, the buffalo were also rapidly decreasing, or rather, gradually but surely being killed out. He hoped that the Government would be able to devise some means to exclude to some extent the ingress of American traders and also, as far as possible, to give protection to the buffalo."

It is now, Dr. Schultz said, over 360 years since the Spaniards first saw a herd of buffalo low down the Mississippi valley, and they are since known to have existed then in millions. The advance of settlement and the build ing of the Union Pacific Railway have within our own time confined them between the Missouri and the Saskatchewan, and when Canada acquired the North-west in 1869, the larger part of those which remained were to be found north of the boundary line. Where are they now? My good friend Father Lacombe was right in his prediction, for last year witnessed the extinction of the American Bison, the Buffalo of the plains, the animal which the Indians always spoke of as their best friend, the one that had yielded for ages to their forefathers plenty and prosperity; and when civilization had brought to themselves necessities before unknown, a valuable supplement to Government assistance. The extermination of the buffalo forms another epoch in Indian affairs, and brings us face to face with a most important phase of the Indian question. What is to become of him under these changed circumstances, is a question that demands speedy solution. What we are to do with him must be determined by us. Is he now to become a scourge or a pauper, or shall we make of him a law-abiding, grain and cattle pro ducing citizen of the state? In the solution of these grave questions may God grant wisdom to our councils, and that spirit of tolerance among our people towards them which should follow the reflection that they are as yet but half savages who only now, when hunger is pressing them sorely, are beginning to understand the value of the birthright which they yielded to us so easily and so cheaply.

HON. SIR ALEX. CAMPBELL—I very heartily and sincerely congratulate my hon. friend who has made this motion, on his ability to go through the fatiguing task which he has set himself, so com-

pletely and satisfactorily to the House I am sure, as well as to himself. Nothing but the strong force of will which my hon. friend is characterized by could have enabled him to accomplish as well as he has done the duty which he thought it necessary to perform to-day. I agree with him as to the responsibility of the Government; I agree with him as to the difficulty of the task which is before the Government and before the people of this country, in dealing with the Indian race in the North West. So far as the Government have been enabled to deal with them up to this moment, we have endeavored to meet the circumstances which have been occasioned by the destruction of the buffalo. The calamity which has befallen the Indian race in the loss of the buffalo is of course overwhelming; it has rendered the task of dealing with the Indians more difficult. So far as the Government have been able to give them farm instructors, and cattle and implements, and opportunities to become agriculturists or herdsmen, Very great and strenuous efforts have been made, as my hon. friend knows, both by the Mackenzie government and their predecessors, and the present administration has since followed it up, of late years at great expense. I do not think there is any disposition on the part of the people of Canada to grudge what is necessary to deal fairly with the Indians or to meet the difficulties which have been occasioned by the destruction of the buffalo; and in endeavoring to feed them, while it is necessary to feed them, hon. gentlemen will agree with us that we should not in so dealing with them reduce them to the condition of paupers—that we should endeavor, while we prevent them from suffering from starvation, to distribute the rations that is given to them in such a way as to induce them to labor for existence as herdsmen or tillers of the soil. I must admit that it is a difficult task, the accomplishment of which we can only look for in a modified degree at the end of many years. The problem is certainly one of the most difficult that the people of this country have to deal with, and I agree with my hon. friend in the wish he expresses that this Government, or any future government who may have to deal with the Indians, may deal with them in fairness and with that spirit of honesty which for so many years has characterized the dealings of the Hudson Bay Company with them, and has given to this country a heritage of great value and importance, and secured from them full confidence in the promises and good faith of the Government.

It has been the earnest and anxious desire, I am sure, of every Government in Canada since the acquisition of the territory, so to deal with the Indians as to retain their confidence, and to endeavor as far as possible to ameliorate their condition, and to meet the very trying circumstances in which the destruction of the buffalo has placed them. There is no objection to the address, and I hope it may be the means of assisting my hon. friend in the task which he has set for himself, a task which, if his health is spared to him, he is likely to accomplish and thereby render very great service to the country.

Hon. Mr. Alexander—I do not feel that any member of this House could add anything to the clear and lucid statement of the hon. gentleman from Winnipeg, and never was a statement upon so grave a subject made at a more opportune moment to Parliament. I should be sorry to add one word to destroy the effect of the admirable statement which the hon. member has made, and I only rise to express the hope that the speech which the hon. gentleman has now delivered will make an impression upon the members of the Government of this country. It is the duty of the Government of the day to make the solution of this problem of the management of the Indian tribes a matter of the gravest consideration. As the hon. gentleman says in his lucid statement, we have destroyed the hunting grounds of the poor Indians, and we know that they are instinctively so constituted that we cannot rapidly make them cultivators of the soil. There is no subject at this moment which ought to engross more the study and consideration of our rulers, and I join my prayer with that of the hon. gentleman who has done his duty so nobly to-day in calling the earnest attention of those Ministers here to the subject, and I hope the Government will give it their best attention, for the future of the country depends very much on their following the excellent advice of the hon. member from Winnipeg.

BEET SUGAR.

BEET SUGAR.

ITS ECONOMICAL PRODUCTION IN THE PROVINCE OF QUEBEC.

A Paper by E. A. BARNARD, Esq., Director of Agriculture, Department of Agriculture, Quebec.

PART I.—BEET SUGAR.

Beet sugar may be called one of the productions of this country; and it is not one of the least fruitful inventions of this wonderfully inventive age. In 1747, Margraff, a distinguished German chemist, made known to the world, for the first time, that several root plants contained sugar, amongst which is the beet. However, it was only in 1796 that the first efforts to manufacture beet sugar were made by Ch. François Achard, a disciple of Margraff. These efforts proved successful, and several manufactories were started in Germany, at the beginning of this century. A book was published on this subject by Achard, in 1812, giving such lucid information on the whole question that it took nearly half a century before more light could be brought on it. Achard's writings on the economical production of beet sugar in Europe must have been very effective indeed, since several continental governments at once took up the subject. Napoleon the First, who, by his peculiar genius, foresaw clearly the political use to be derived from this source, gave the greatest impetus to this new production, which received an additional assistance from the fact of the continental blockade, against England, of most continental ports in Europe. Even Russia paid as much as 50,000 roubles to assist in the establishment of the first beet sugar factory in that country. France lavished its millions of francs for the same purpose, and the different States of Germany offered and gave all the assistance they could to similar establishments in their respective provinces. Even England seems to have taken fright at the continental efforts to ruin its colonial trade in sugar,—for it is stated on good authority that Achard was offered $30,000 at first, if he would only state, in print, that he had been mistaken in his assertion that beet sugar could be economically produced. And as early as 1802, this offered bribe was increased to $100,000, but it was again scornfully rejected by the proud but honest German, in the interest of humanity. It would seem that England's spite could not be hidden, and that somewhat later, Sir Humphrey Davy was induced to state in his "Treatise on Agri-

cultural Chemistry," that beet sugar was *entirely too bitter* to be of any use. The discussion must have been *bitter* indeed—but not so the sugar, which, when refined, is identical to the very best cane sugar; so much so that the ablest chemist or commercial buyer in the world could not, in the presence of samples of each kind, say which is which, were it to save his life.

Napoleon I has been justly called the father of this industry. He lavished both honors and fortune on those who were the most successful in its establishment,—but his downfall nearly ruined this offspirng of his. The alliance of continental powers with England against France, brought bach the predominance of England's commercial interests on the continent —and the very elastic principles of free trade nearly crushed this industry entirely out out of existence. Although Germany and Russia had already lavished millions of francs in the manufacture of beet sugar, they allowed the imported cane sugar to compete fully with the beet sugar, which, being yet unable to support this competition, was completely ruined in all countries but France.

Even in France, for many years, the theories of free traders had their able and nearly all-powerful defenders; so that beet sugar could barely keep up a foothold. So was it in France up to 1829, when the whole production of beet sugar did not exceed 4,000 tons annually, although millions over millions had been lost in the attempt to establish this industry without sufficient protection in its infancy. It would no doubt prove interesting to follow out this all but deadly combat between free trade and protection in France, on this question of beet sugar.

However, I will only say that to me it looks as if a few very clever, if not always very honest men, managed to enrich themselves and their friends, but not without impoverishing the mass of agricultural laborers. To perform this clever trick requires great ability, indeed, in handling bright, dazzling theories, which, like a mirage, can, of course, deceive people. But yet, those clever things could not be repeated,—and accomplished again—were it not for that very numerous class of so-called statesmen, who, in order to maintain their prestige, are always in search for the easier and least unpopular mode of taxation, if not the most judicious and most encouraging system for the fostering of home industries. Thus, in France it was feared that the maritime commerce of the country would suffer by the stoppage of importation of colonial sugar, the total consumption of which then only amounted to 35,000 tons. Protection was established notwitstanding the gloomy predictions of the free-traders; let us see what was the result:

Instead of the 4,000 tons of beet root sugar manufactured in 1829, France now produces from 300,000 to 462,000 tons per annum. It, however, imports about 200,000 tons of sugar annually. Its consumption has increased from 35,000 to 266,384 tons per annum (1876). All this sugar is refined at a profit to commerce and industry, and France exports about 450,000 tons every year. The free-traders were therefore wholly mistaken

in their calculations. They wished, at any price, to retain their trade of 35,000 tons of foreign sugar, and to this end were quite willing to sacrifice the interests of home industry and of agriculture. The latter prevailed, and French commerce now handles about 860,000 tons of sugar annually, both in France and in foreign countries.

To this great commercial movement, created by the new industry, must be added the carriage and consumption of about 2,000,000 tons of coal, which are annually used in the manufacture of sugar in France, and the numerous other industries which support thousands of families who, in their turn, create new sources of wealth.

It is established beyond a doubt that France would have been unable to free itself so easily from the terrible consequences of the last war, without the assistance of the immense agricultural wealth of the whole country, due principally to the beet root sugaries in the north, and vine-growing in the south.

It will be interesting to recall, in a few words, the different phases of this protection to the beet-root-growing industry in France since 1829. I cannot refrain from here giving the following extract on this question from Mathieu de Dombasle, France's greatest agriculturist of the age, and one of its best patriots. In discussing this very subject of the national importance of fostering the sugar beet industry, he said, in 1829:

" France produces but a small proportion of the sugar consumed in the Kingdom. However, the increase in production has been so rapid within a few years, and so many manufactories are being opened, that it is easy to foresee, if nothing happens to deaden this movement, that it will not take many years before France can suffice to itself in this production. It is somewhat remarkable that this industry has taken root only in France; in Germany, where the manufacture of beet sugar had its first beginning—where it had taken a considerable extension, under the impulse of the continental blockade, it was completely crushed out, by the free competition of the sugar from the Indies." He says further: " It is probable that a nation conveniently situated for this industry, and which will have secured its foothold in the country before other nations can do so, may later—and perhaps for many years—not only suffice to its own consumption, but also sustain a successful competition against foreign sugar even in foreign markets." I may here say that in Canada the question of any further protection to this industry can never arise, since the protection in favour of beet sugar factories would be enormous, and more than was ever asked for in Europe. Imported sugar pays a duty of 45 per cent. of its value, and costs at least from 10 to 12 per cent. for import charges, which would give the manufacturer a safe protection of more than 55 per cent.

M. de Dombasle then goes on to show how favorable the new industry would become to agriculture in general, and how much it was for the interest of the whole French nation, and therefore of the French Government, to give to beet sugar factories the encouragement necessary to their

solid establishment. He also demolished entirely the arguments to the contrary, advanced with great success up to that time, by a whole school of free-traders in France, of which the french economist Say, was the head.

Let us now see how far Mathieu de Dombasle's prognostications in 1829 have proved correct. In 1836, seven years after the writing above cited, the production of sugar in France, which was only 4,000 tons in 1829, increased to 40,000 tons. In 1857 it was only 49,000 tons. About this time Napoleon III. turned his attention to this subject. His support met with the greatest success; a reasonable protection was secured, and the following results were attained:—In 1862, 170,000 tons of sugar were made in France; in 1867, 275,000 tons; in 1871, 396,000 tons; in 1875-76, 462,259 tons; or an increase of nearly one hundred and twenty-five-fold in forty-seven years, for France alone.

We have seen above, that, up to 1830, no beet sugar factories existed in Europe elsewhere than in France. The writings of M. de Dombasle, and others of the same school, created a stir in Belgium, and then in Germany, with the following results:—

Quantity of beet sugar produced in Euroye (in tons).

	1876-7	1875-6	1874-5	1873-4
Germany	280,000	340,645	250,708	289,243
France	225,000	462,259	450,877	396,578
Russia	250,000	245,000	222,500	202,851
Hungary	150,000	153,922	120,720	167,058
Belgium	55,000	79,796	71,079	73,516
Holland	30,000	30,000	30,000	30,000
	990,000	1,317,622	1,145,881	1,162,246

Showing an increase of beet sugar production, in forty-seven years, of three hundred and thirty-fold.

But what is more surprising still, and what does not seem to have been expected by any of the writers of that epoch, is that the consumption of sugar seems to have increased in the same enormous ratio as the production:—thus in France, in 1829, the consumption was 35,000 tons, or about 2¼ lbs. per head; it is now 265,000 tons, or 16½ lbs. per head. In England, in 1844, the consumption was 236,143 tons, or about 16 lbs. per head; it is now, including molasses, 900,000 tons, or about 62½ lbs. per head.

The following table, giving the consumption of sugar in different countries, may prove interesting:

	Tons.	Population.	Per head.
Great Britain	900,000	31,629,300	62.58
Germany	315,000	42,756,900	16.19
France	275,000	36,377,600	6.51
Russia	250,000	82,135,700	6.70
Austria	170,000	20,395,000	18.33
Spain	50,005	16,835,000	6.50
Belgium	50,000	4,827,800	22.65
Holland	30,000	3,579,400	17.50
Turkey	25,000	23,610,000	2.25
Sweden and Norway	20,000	5,870,300	7.05
Portugal	15,000	4,324,000	7.05
Denmark	15,000	1,785,000	18.25
Switzerland	11,000	2,659,600	9.00
Greece	3,000	1,457,100	4.59
Europe	2,129,000	278,243,200	17.00
United States	750,000	38,925,000	42.35
British Colonies	200,000	50,000,000	8.08
Total	3,079,000	367,168,200	17.05
Canada	82,461	4,365,000	39.05

The total production of beet sugar and of cane sugar, in 1874, was as follows, for all sugar manufacturing countries:

Total cane sugar manufactured, in 1874, 1,840,986 tons; do., do., of beet sugar, 1,110,166 tons. Total, 2,951,152 tons.

It will, no doubt, be observed that all countries producing sugar, either by themselves or their colonies, use a great deal more sugar than others, except, however, our own country, which proudly stands as third on the whole list, although it produces none other than the maple sugar, which does not enter into the above table of production and consumption, and which, however, if counted, would very likely place us second on the list, if not the very first.

II.

EFFECT OF THE BEET-SUGAR INDUSTRY ON AGRICULTURE.

Let us now examine briefly the wonderful effects of this industry on the agriculture of all the countries where it has been implanted. This would apply to Canada in the highest degree if sugar beets were produced. I say in the highest degree, since the production of beet roots necessary for this industry, by cleansing our land and exacting a more careful cultivation, would not fail to increase three and four-fold the agricultural produce of those portions of the country which would supply the factories.

In 1850, in France, fears were entertained at what was then considered the wonderful increase of beet culture for the production of sugar. It was believed by many that this increased production of beets would cause a proportionate decrease in that of cereals. A legislative enquiry was consequently ordered, and the following facts clearly proved :—The district of Valenciennes, in 1813, (one of the best cultivated in France) produced about twenty bushels of wheat to the acre ; in 1833 it produced thirty-two bushels. Before beet culture was established, the whole production of wheat was 740,000 bushels ; it rose (in 1833) to 1,192,000 bushels, an increase of over 50 per cent. In 1822 the whole district fed 400 oxen ; nine years later (in 1831) it fattened 10,784, or an increase of over 25 to 1.

The following is equally extracted from an official document published by the French Government in 1873 :

" There exists in the north of France a certain number of districts which have attained the maximum of agricultural production. Thus, in favorable seasons, these localities produce an average to the acre of 38 bushels of wheat ; of 22½ tons of beets ; of 330 to 380 bushels of potatoes, &c. What causes this prodigious prosperity ? In some parts it is due to the use of flemish manure, which agriculturists from the north have utilized for centuries ; in others where human feces is not collected, it is entirely due to the production of beets. It has been repeated on all sides, and yet it cannot be too much said : the cultivation of beets is that which has contributed most to agricultural progress."

I might give page after page of similar statements, not only from French authorities, but also from all the countries where this wonderful industry exists. However, the tables given above speak higher in favor of beet sugar than all I could say. It is everywhere shown that the several crops have tripled on an average, wherever the soil has been cleaned by the beet crop, and manured by the enormous quantity of cattle necessary to utilize te remains of the beet, after the sugar has been extracted from it. It has been conclusively shown that the increase in cattle in these regions has been at the rate of over 25 to 1.

Mr. Telesphore Bran, who wrote a pamphlet on the "Foundation in Canada of the manufacture of beet sugar," thus epitomises correctly the following advantages offered by this industry. He says: "An enlightened practical study on the subject, of half a century, shows in the most conclusive way:—

"1st. That the cultivation of beets, far from impoverishing the soil, vastly increases its fertility, by the production of an abundant supply of manure.

"2nd. That by the very many plowings, harrowings, hoeings, &c., indispensable to this crop, the land is prepared in the very best manner for the crop which follows.

"3rd That this hoed crop enables the farmer to follow the best and most rational system of rotation for his farm.

"4th. That not only does the sale of the beet to the sugar factory cover the whole cost of the production, and of the cleaning and manuring of the soil for future crops, but that generally it brings to the farmer a larger cash return per acre than any other crop he could raise.

"5th. That it enables the farmer to obtain in summer the assistance of a great number of hands, who find a profitable occupation, at the manufactory, for the whole of the winter; thus creating a better market for farm produce, and generally a source of wealth to the country which can hardly be overestimated."

[I may here add that Mr. Cuisset, the chemist attached to our Department of Agriculture, has published an excellent little popular treatise on the cultivation of beet roots and the manufacture of sugar in Canada, which will be read with interest by all who wish to be posted on the elements of this important question.]

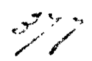
Before leaving this part of my subject, it may be useful to say a word of the refuse from the beets after the sugar has been extracted. This refuse is called pulp; it is generally in cakes, and weighs about 22 per cent. of the original beet. Its feeding value is somewhat greater than that of beets—containing, as it does, all the fibrous matter, besides a large per cent. of sugar, and less water than in the beet. Although it would be useless to enter here into any of the details of the manufacturing process, it may be well to explain how it is that the residue is richer than the original beet. Good sugar beets contain from 10 to 16 per cent. of sugar, about 80 per cent. of water, the rest is fibrous matter, salts, &c. The sugar in the juice is contained in millions of small cells, which are partly broken up by the grating process to which the beets are subjected—a quantity of water varying from 15 to 20 per cent., is also added to the mass, and the whole is subjected to an immense pressure, when a large proportion of the sugar is removed in the juice, and the rest remains in the cake; but, as it takes about five tons of beets to one ton of refuse, it is now easy to understand how this refuse may have a larger percentage of nutritious matter than is contained in the beet.

Numerous practical tests have shown, in the most conclusive manner, that for feeding purposes the beet refuse, or pulp, is worth about one-third as much as the best hay. That is, three tons of refuse equal one ton of excellent hay.

The sugar beet crop in France produces on good land, with high culture, an average of about 30 tons per acre. In Germany, the average under similar circumstances is about 20 tons, but the beets are much richer than in France, and more sugar is produced per acre than in France. In Germany an acre of good beet roots gives an average of from 2,800 to 3,000 pounds of sugar. Considering the average of beet roots produced to be 20 tons to the acre, the refuse in pulp would be equal to about two tons of the best cured hay per acre.

The farmer, after having sold his beet roots with profit, and after having sowed hoed crops which will cause an extraordinary improvement to be felt in subsequent crops, will have, as an additional source of profit, the nutritious value of two tons of hay per acre—that is to say, much more than is produced by our good meadows. This should be sufficient to prove in the most convincing manner all the importance of the introduction of this industry, even from a purely agricultural point of view. From an industrial and commercial standpoint, a most necessary commodity would be produced which we have now to purchase in foreign parts, at the cost of about six millions of dollars, besides import charges, customs duties, &c., &c., which increase the price of imported sugar in Canada to the enormous figure of ten millions of dollars. (See official tables further on.) This is the sum which would be retained in the country; which would be circulated in trade; would support thousands of families, and would, in its turn, produce new and considerable wealth. Who knows if we may not be able to produce a surplus over and above the quantity required for our consumption, which, becoming an article of export, will be an additional source of riches?

Besides, to produce this sugar in this country we would use 230,000 tons of coal, which would give a great impulse to the development of our coal mines in the Maritime Provinces, and give rise to considerable transportation.



AMOUNT OF SUGAR, &c., consumed during the past five years.

Kind.	1875–76.	1874–75.	1873–74.	1872–73.	1871–72.
	lbs.	lbs.	lbs.	lbs.	lbs.
No. 9 Sugar (Dutch standard and above)..............	95,298,980	82,617,733	85,452,194	76,970,935	61,249,713
Sugar below No. 9...........	19,855,326	18,199,153	16,469,485	15,060,540	13,507,312
Syrup, &c....................	4,605,398	3,965,967	9,012,925	2,492,099	2,958,552
Candied sugar, confectionery, &c	459,035	520,449	461,908	331,353	273,362
Molasses.....................	49,471,307	44,063,653	52,728,700	43,212,324	44,947,932
Total.........	163,981,518	149,366,955	164,125,212	138,067,251	122,935,871

SUGAR, SYRUP, AND MOLASSES consumed in Canada during the year ending 30th June, 1876. [Extract from the official report.]

Kind	Quantity.	Value.	Duty.
	lbs.	$	$ cts.
Sugar above No. 13 (Dutch standard).......	75,443,654	3,640,323	1,664,516 62
" " 9 to 13, inclusive..........	19,855,326	768,277	340,988 45
" above No 9........................	14,146,798	444,510	181,862 25
Melado..................................	2,492,569	82,629	30,004 13
Sugar cane, Syrup, &c....................	2,112,829	69,200	30,508 26
Candied Sugar and Confectionery...........	459,035	69,026	21,846 82
Molasses	49,471,307	935,828	233,957 29
Total for fiscal year 1875-76....	℔ 163,981,518	$6,009,793	$2,503,683 82
Corresponding numbers for fiscal year 1874-75	149,366,955	$5,918,665	$2,450,769 98
Increase during the past year....	14,614,563	91,128	52,913 84

III.

CAN BEET SUGAR BE PRODUCED IN CANADA AT A PROFIT ?

I now come to the important question : " Can beet sugar be produced in Canada at a profit ?

This question it has been my duty to study out. In 1870 I was sent over to Europa by the Government of Quebec, and later by the Federal Government, with a special mission, an important part of which was to report on this very question. Although I had read somewhat on the sub ect, yet its practical working was new to me, and I found it necessary to look most closely into the whole matter. For this purpose I consulted

the best authority in Europe, and passed, at one time, a whole month at Gembloux, in Belgium, conferring with the heads of the Belgian Government Agricultural College there. I visited also the country surrounding, all of which is interested in beet sugar production, which at that time created such a *furore*, that the number of manufactories was about doubled in Belgium within two years, from 1871 to 1873. One factory existed already at Gembloux, but two others were being constructed, with a manufacturing capacity each about three times as great as that already existing. I spent about eighteen months in Europe, and visited a considerable number of establishments, both in Belgium and Germany, the processes there followed being considered much better than those of France, which, at that time, was just issuing from a most calamitous war, which had completely paralyzed all its industries, as well as the manufactories of beet sugar. On my return a report was published, in which I advised making experiments as to the successful production of sugar beets in this country, both as regards quantity and quality.

Respecting the manufacturing process in Canada, I have come to the conclusion that with the necessary capital, appliances, and experienced management, we can manufacture the sugar here for a very small, if not an insignificant increase over the cost of production in Europe, which is from 4c to 6c, according to circumstances, for refined sugars. In this I am happy to state that my views are supported by several European gentlemen well cognizant with the subject, and who have visited this country most carefully. If, on the one hand, labor is more expensive here than on the continent, and perhaps coal also, (although this latter question is not quite proved, since coal can be obtained in Quebec at the rate of from $4.00 to $4.50 per ton of 2,240 lbs.,) yet the labor question is a very small consideration if it be remembered that about 100 hands will turn out in 24 hours, with the best appliances, about 20,000 lbs. of sugar, worth $1,600 at 8c.: (this sugar, at the present market prices, would be worth, wholesale, 11 or 12 cents, or produce $2,200 to $2,400.) I must leave out many incidental questions which I cannot enter into here, but which will, I believe, bear me out in the above statement.

A factory of eight presses will produce, in 150 days, about 3,000,000 lbs. of sugar, or 20,000 lbs. per day.

But I must say that we possess an advantage that no other country possesses. Whilst in Europe factories cannot be worked profitably, as a rule, over 100 days, here, on account of our special climate, we can work the beet with certainty over 200 days. Thus, if the profit on the manufacturing of beet sugar in Europe be 33 per cent., which has been the case until within the two last years previous to this, we could obtain the same percentage,—even if our profit be 16½ per cent. on the beets manufactured, as we can work with this same capital at least double the amount of beets, in our long winter seasons, that they can in their exceedingly short winters. In fact, this year the great complaint in Europe is want of cold weather; the beets vegetated and lost their saccharine qualities to such an extent that the large increase in the price of sugar hardly covered the loss in the

saccharine value of the beet. I may here state that during the years 1875 and 1876, the prices of sugar came down with a crash, from over-production and other causes too long to explain, but the prices have again risen from 40 to 50 per cent. Whatever may be said against our cold climate, it possesses an invaluable advantage to the beet sugar manufacturers, who, here would be quite sure that from the 15th of October to the first of May, there would be no danger of the beets growing, if placed properly in well ventilated out-door cellars. This is really an immense advantage which few beet-growing countries possess; it shows once more the truth of the old saying: "It's an ill wind, indeed, which blows nobody good"—and taking a still higher view of the subject, it reminds us again that the Creator's works are all eminently wise, and eminently useful, too, if man can understand their full value.

Now, I need not tell you that ordinary beets grow well here, everywhere, in properly cultivated soil which can produce good hay and grain crops. But perhaps few farmers are aware that sugar beets also do remarkably well here. Hundreds of reports have reached me this year, in my official capacity, from forty different counties, all of them quite satisfactory, with perhaps one or two exceptions only. But what caused me some surprise is the fact that so many report the sugar beet as easier grown and with more satisfaction, in every way, than even the hardy mangold wurzel. As to feeding qualities, there seems to be no doubt that a ton of good sugar beets is fully worth two tons of mangolds, and yet I have many returns showing a produce of from 30 to as much as forty tons per acre of good sugar beets. So much for their profitable cultivation in Canada.

It is a fact, admitted by all manufacturers of sugars, that the beet root has a greater value in proportion to the quantity of sugar it contains, and to the higher degree of purity of the juice which it gives. Thus, putting the commercial

VALUE PER TON OF SUGAR BEETS CONTAINING 9 PER CENT. OF SUGAR

in the juice with a purity of			....	85.7	at	$3.72
9 per cent. of sugar		"	....	66.6	would be worth	2.72
10	"	"	"	87.	"	4.54
10	"	"	"	70.	"	3.47
11	"	"	"	88.	"	5.54
11	"	"	"	71.6	"	4.52
12	"	"	"	89.	"	6.37
12	"	"	"	72.1	"	5.39
13	"	"	"	89.6	"	7 27
13	"	"	"	74.	"	6.26

by which it clearly appears that a careless farmer will produce beets hardly worth $2 a ton, for many beets do not contain 9 per cent. of sugar, whilst the careful producer, who follows the dictates of experience, will produce beets worth over $8 a ton for the production of sugar.

IV.

VALUE OF THE SUGAR BEETS PRODUCED IN CANADA, AND CONCLUSIONS.

Now we come to the point: What is the saccharine quality of our Province of Quebec sugar beets? The answer I am going to give you is official, and little known outside of the Department of Agriculture in Quebec. Some trials and analyses of beets have been made from year to year; but, unfortunately, from want of the proper experience, the beets cultivated previous to this year proved rather poor in sugar. This fact we know was due to want of care in the cultivation of the beet, on the part of the farmers, and also, to a degree, from inferior seed.

Last year the department imported what was guaranteed as excellent seed. It was distributed through the members of Parliament, in most cases, but, unfortunately, rather late in the season by most. This distribution was accompanied with printed instructions, insisting in the most pressing terms on the special mode of culture necessary to the production of the best sugar beets.

In the fall, circulars were again issued, from the Department, requesting that samples be sent of the beets cultivated, with answers to several questions therein contained, relating to the mode of culture, of manuring, the time of seeding, of cropping, &c., &c. Several hundreds of answers were sent in, accompanied by about 300 samples of beets. Out of these, 235 samples have been carefully analyzed by Mr. Octave Cuisset, a special chemist attached to the Department, who has had an experience of many years in the practical manufacturing of beet sugar, both in Belgium and France, and who actually manufactured some coarse unrefined sugar from Canadian beets, merely to show he understood the business.

In order to maintain the most convincing proof possible as to the value of the analysis made in our department, we sent over twelve samples each to France and to Belgium for analysis, to the best recommended special chemists in those countries, gentlemen who have now been consulted for the last three years by the Department of Agriculture. These samples sent to Europe were selected out of similar lots produced on twelve different farms in various parts of the Province; they were all numbered carefully, and many weeks before the answers came over from France and Belgium, we caused to be published and printed, in the Department report of 1876, the analysis made here on the same lots as those sent to Europe. We subsequently received answers from France and from Belgium.

What are the results? I will say that they deserve our most careful consideration, They are:

Firstly. That the various analyses made in France, in Belgium and in Quebec, on the twelve identical lots above mentioned, hardly differ at all—no more than could have been expected from different beets grown in the same field—proving that our analysis are entirely to be trusted.

Secondly. That the system of cultivation followed here this year has been by no means perfect, and that, in consequence, a still higher degree of richness in the beet can be attained.*

Thirdly. That notwithstanding our inferior mode of cultivation, the Quebec beets, as a whole, are considerably richer than the average obtained this year either in France or in Belgium.

I will now give a few extracts from the above-mentioned official reports from France and from Belgium.

Extracts from the report made by M. de Puydt, Chemist, of Brussels:

"This lot of beets (of 1876) is the third we received from Canada, and we can state that they are much better than those sent us last year * * In this last lot, the roots, with one or two exceptions only, are all of an excellent type; two or three are rooty and forked, and were grown rather too much out of the soil. This may depend on some local condition which we ignore. At all events, a better preparation or mellowing of the soil, and deeper culture will no doubt remedy this evil."

"The degree of purity representing the proportion of foreign matter to sugar contained in the juice, has attained an average of 81.05 which is excellent."

"The percentage of sugar in the juice is 12.89 per cent. which is also very good, in beets weighing two pounds and a-half. These figures show conclusively that the seed sown was good, and also that Canadian soil is eminently fitted (*essentiellement propre*) to the cultivation of the sugar beet, on the condition, necessary everywhere, that it be properly prepared, and that the variety of seed sown be carefully selected."

"(Signed,) JULIEN DE PUYDT.

"Brussels, 15th January, 1877."

I will now give the concluding remarks of the French chemist's report, Mr. L'Hote, who says: "The Canadian beets of 1876 have given, by analysis, an average of 12.45 of sugar for 100 parts of juice."

The conclusion to be drawn from the information already supplied us is, that the season of 1876 has not been favorable to the cultivation of beet roots in Canada. In France the state of things was the same.

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* The hope we expressed last year has been completely realized in this, after new assays made in five hundred different localities. Thus, instead of having an average (excellent in itself) of 12.30 of sugar per cent. of the juice, with a quotient of purity equal to 76, we have this year an average of 13 22 of sugar and a quotient of purity equal to 83. This difference may be estimated as follows: Supposing the average of the beets analyzed by our department last year to represent a money value of $3.72 per ton, those analyzed this year would be worth $4.40, or an in.rease of over 20 per cent.

"The average saccharine quality of the Canadian beet is superior to that obtained in France."

"The average obtained in France for the present year is 10.30 per 100 parts of juice."

"In France the head of the beet is thrown aside as refuse, and does not enter into the manufactory of sugar."

"In the Canadian beets, this refuse amounts to 8 per cent. of the whole weight of the beet, but we have found that even these contain 10.22 per cent. of sugar in 100 parts of juice."

"(Signed,) DESIRE L. L'HOTE, Chemist.

"Paris, 24th January, 1877."

These very favorable reports are confirmed by Mr. Champion, the chemist employed by the eminent manufacturing firm of Fives-Lille, to whom we owe a debt of gratitude for the cordial and earnest help they have given us during many years.

We have now an opportunity of stating that Mr. Octave Cuisset, a Belgian chemist attached to our Department of Agriculture, is deserving of the greatest praise for the scientific and practical knowledge he has brought to bear on the study of everything that relates to the future of this industry in this country. Let us hope that the most complete success will be the reward of such perseverance and such devoted labour.

This report thus shows that our Canadian beets are over 20 per cent. richer than the French beet, and that our refuse heads of beets are as rich, or nearly so, as the better parts of the French beet.

In presence of these facts, it seems very evident that this question of the production of beet sugar in Canada is of national importance, and that, from an agricultural point of view, it is perhaps the weightiest problem which we, as agriculturists, or patriots, can be called upon to work out to a favorable issue. Let it be remembered that we can grow beets here as cheap as in Europe, that Canada import annually about 165 millions of pounds of sugar and molasses which cost, laid down here, over ten millions of dollars. Also consider that the manufacturing of this quantity of sugar would necessitate the establishment of over fifty large sugaries, giving work in one way or another to 15,000 men, besides the farmers; that it would enable the farmer to grow annually, with great profit to himself, and with great advantage to the country around, 50,000 acres of beets, at 20 tons per acre; that it would produce annually 282,000 tons of refuse or beet pulp, which would cost nothing to the farmers and yet would be worth as much to them as 71,000 tons of hay; that it would also enable us to keep four times more stock on our farms, quadruple our

barn yard manures, besides enabling us to purchase an abundant annual supply of artificial manures, which would all be paid by the beet crop and leave a large profit.

In presence of these facts I may well say that the day when a factory of beet sugar will be established in the Province of Quebec will be a happy day for us all, and that it behooves all of us and every farmer in this Province, to study out this question carefully for himself. If what I have here stated is correct, and I can vouchsafe for the correctness of each and every one of the above statements,—I say, if what I have stated is correct, it becomes the duty of every patriotic Canadian to work earnestly and, well, in fact to leave no stone unturned until this object, of such national magnitude from an agricultural point of view, be successfully attained.

I may here say that our Local Legislature so well understands the importance of this matter, that as far back as 1874 it passed a law offering $25,000 as a premium to the first successful manufactory of beet sugar in this Province, and that in 1875 this premium was increased to $7,000 annually for ten years, which is equal to the sum of $70,000.

However, I must say that the manufacturing of beet-root sugar is of a very complex nature, that it requires the ablest chemists and practical men of highly scientific attainments before it can be carried out with success. And what is still more difficult to attain perhaps, it will require, especially for the first start, a very large capital indeed, which, I am afraid, will amount to $350,000 in order to secure success. This estimate supposes that the company would undertake to produce itself two-thirds of all the beet-roots required by the factory. This is the system usually followed in Germany, Austria and Russia. If the farmers undertake to produce excellent beet-roots for the factory, in sufficient quantity for all its wants, the required capital in that case should not exceed $200,000 for the first factory producing 110 tons per diem, and probably $125,000 for all succeeding ones. On the other hand, from all the information I can gather, and I think I have gathered a good deal on the subject, no industry in Canada will ever have given such a large return, for the amount put into the enterprise, if only properly conducted.

The capital above mentioned would not only suffice to produce marketable white sugar, but also would cover all the necessary outlay for the production of the beets needed by the factory, leaving an ample margin to meet all unforseen contingencies.

Before concluding, I deem it necessary to say one word on the subject of refineries. Many persons are of opinion that the difficult position in which our refineries have been placed by the strictures of the tariff and the drawback given to American refiners, would prove equally disastrous, if not ruinous, to the Canadian beet-sugar manufacture if the industry were established in the country. This is a great mistake. The refiner has to import his sugar, on which he pays 25 per cent. duty, *ad valorem*, and $\frac{3}{5}$ to one cent per pound according to quality, before he can begin his operations;

whilst the merchant imports refined sugar at 25 per cent. *ad valorem*, and one cent per pound. The only margin for profit, therefore, is on the refining of sugar which pays $\frac{3}{5}$ of a cent per pound in addition the 25 per cent. *ad valorem*. Now, if the American refiner really gains one cent per pound by the present system of American drawbacks, which is generally believed, it is easy to see that he can afford to sell his refined sugar at almost the same price as unrefined sugar. This explains the difficult position in which the Canadian refiner finds himself.

But not so the beet sugar manufacturer, who would have no duty whatever to pay, who can produce a merchantable article of excellent quality, and who would benefit to the extent of the whole amount of 25 per cent. *ad valorem* duty and the 3-5 of a cent on imported sugar, besides the cost of importation, which amounts to about 10 or 12 per cent. on the invoice price. A protection which, as before stated, is equal to about 55 per cent. on the invoice price of sugar in foreign countries.

I may say that this essay is almost the same as that which I published in the *Journal of Agriculture*, with the exception of some useful information which I thought proper to add.

EDWARD A. BARNARD,

Director of Agriculture.

Quebec, 1st November, 1877.

GENERAL REPORT

ON

THE VALUE OF THE SUGAR-BEET

HARVESTED IN 1876.

IN THE PROVINCE OF QUEBEC,

FOLLOWED BY TWO SUPPLEMENTARY REPORTS, THE FIRST ON THE SUBJECT OF BEET ROOTS, KEPT UNTIL 14TH MAY, 1877, AND THE SECOND ON THE SUBJECT OF THE ANALYSIS OF BEET-ROOTS HARVESTED in 1877.

BY OCTAVE CUISSET, CHEMIST, ATTACHED TO THE DEPARTMENT OF AGRICULTURE AND PUBLIC WORKS.

The two tabular statements which follow show the result of analyses made of sugar-beets harvested in the Province of Quebec in 1876.

Statement No. 1 refers to the analysis made by me in Quebec. The samples of beet-root were sent from 40 counties by 118 farmers; 236 analyses were made here on these beets, and this statement shows the average result obtained for each county.

Whilst I was making these experiments in Quebec, the Department of Agriculture had sent two lots of the same beets to two distinguished chemists, Mr. Julien de Puydt, of Brussels, in Belgium, and Mr. L. D. L'Hote, of Paris, France.

Tabular statement No. 2 gives the comparative results of the analysis made by the three chemists. The columns marked Q, refer to my analysis in Quebec; the columns marked B, to those made by Mr de Puydt, at Brussels, and the columns marked P, to those made by Mr. L'Hote, in Paris.

356

TABULAR STATEMENT No. 1.

AVERAGE RESULT, by County, of Analyses made in Quebec, of Sugar Beets, obtained from the Harvest of the year 1876.

Numbers in order.	Name of Counties.	Number of analyses per County.	Hydrometric Degree of Juice.	Proportion of Sugar to 100 of Juice	Quotient of purity of Juice according to density.	Proportional value of the Beet Roots assayed.	Value in money per ton of Beet Roots.
1	Bagot	2	17,50	13,30	76	10.1	$4 04
2	Beauce	7	16,20	12,43	76	9,4	3 75
3	Beauharnois	6	16,30	12,26	74	9,0	3 60
4	Berthier	4	15,50	11,84	76	9,0	3 60
5	Bonaventure	6	17,00	13.22	77	10,1	4 04
6	Champlain	5	17,30	12,97	75	9,7	3 88
7	Charlevoix	8	16.50	12,30	74	9.1	3 64
8	Chateauguay	6	15,80	11,80	74	8,7	3 48
9	Compton	3	17,00	13,10	77	10,0	4 00
10	Deux-Montagnes	9	16,80	12,60	76	9,5	3 80
11	Dorchester	1	15,50	11,72	75	8,8	3 52
12	Drummond	3	17,30	13,05	75	9.7	3 88
13	Hochelaga	32	16,00	11,97	74	8,7	3 48
14	Joliette	1	14,50	10,95	75	8 2	3 28
15	Kamouraska	2	16,25	12,60	77	9,7	3 88
16	Laprairie	6	15,00	11,73	78	9,1	3 64
17	L'Assomption	6	15,70	12,09	77	9.3	3 72
18	Laval	7	17.00	13,00	76	9.8	3 92
19	Lotbinière	16	16,20	12,32	76	9.3	3 72
20	Maskinongé	2	16,00	12,22	76	9,2	3 68
21	Missisquoi	1	15,00	10,65	71	7,5	3 00
22	Montcalm	6	16,10	12,45	77	9,5	3 80
23	Montmagny	2	17,75	13,05	73	9,5	3 80
24	Napierville	6	15,00	11,50	76	8,7	3 48
25	Nicolet	2	16,50	12,38	75	9,2	3 68
26	Ottawa	8	17,00	13,10	77	10,0	4 00
27	Portneuf	2	17,25	13,22	76	10,0	4 00
28	Quebec	30	16,70	12,78	76	9,7	3 88
29	Richmond and Wolfe	4	17,00	12,9[illegible]	76	9,8	3 92
30	Richelieu	1	15,00	11,51	76	8,7	3 48
31	Rouville	5	15,80	12,00	76	9,1	3 64
32	St. Hyacinthe	2	16,00	12,14	75	9,1	3 64
33	St. John	2	16,25	12,16	74	9,0	3 60
34	St. Maurice	3	16,80	12,56	74	9,2	3 68
35	Shefford	2	15,00	11,56	77	8,9	3 56
36	Soulanges	2	16,00	12,28	76	9,3	3 72
37	Stanstead	5	15,70	12,26	78	9,5	3 80
38	Terrebonne	6	15,00	11,60	77	8,9	3 56
39	Vaudreuil	11	17,00	12,49	73	9,1	3 64
40	Verchères	4	15,25	11,81	77	9,0	3 60
	General average	236	16,25	12,30	76	9,3	3 72

In looking over tabular statement No. 1 we find the following general result for the forty counties which have sent samples of beet roots: hydrometric degre of the pulp, 16°. 25 Balling; quantity of sugar to 100 of juice, 12.30; quotient of purity, 76; proportionate value, 9.3.

These figures show that the beet roots grown in Canada are as valuable as those harvested in those countries which are the most favored in this respect, and such a success cannot but become more and more pronounced as the proper method of cultivating this root becomes more generally known to the agriculturists of this country.

I deem it advisable to give some explanations as to the terms employed in order that everyone may make use of the tables annexed to this report. The Balling or hydrometric degree of the juice, is the number which indicates the quantity of solid substances (sugar or other) dissolved in the juice. By deducting the percentage of sugar we obtain the apparent percentage of foreign substances dissolved in the juice with the sugar. The quotient of purity is the result of dividing the percentage of sugar by the hydrometric degree; it shows the amount of sugar in the 100 parts of solid matter dissolved in the juice.

Applying these data to the general average obtained, we find that the average juice contained 12.30 of sugar, 3.96 of foreign substances (apparent percentage) and 83.74 of water. If we had reduced the juice, such as it was, with all necessary precautions, until the water was completely evaporated, 100 parts of the dry residue should contain 75.6 of sugar and 24.4 of foreign substances (such as salts of potassium and soda, &c., organic matter.)

The value of beet roots depends on the richness in sugar and quotient of purity of the juice, which affect their production for manufacturing purposes and the cost of such manufacture; this has induced specialists to consider as the proportional value of beet roots, the product of the percentage of juice in the sugar multiplied by the quotient of purity. The value of beet roots for the manufacture of sugar is, therefore, far from being the same, even if they contain the same amount of sugar. One will be convinced of this by referring to the last column of statement No. 1, which shows the value in money of beet roots analysed, takingfour dollars as the proportional value of 10. We find there that the beet roots of Beauharnois and Stanstead both contain saccharine matter to the extent of 22.26, and their respective value per ton is $3.60 and $3.80, which would give a difference of four dollars per acre producing twenty tons. Twenty tons of beet roots from the County of Missisquoi would produce $60, while the same quantity from Bagot and Bonaventure would give $80.80, a difference of, say $20.80.

The production of sugar per 100 of beet roots may be calculated by multiplying the number indicating the proportional value by 0.8.

For instance, the beet roots of Bagot would give, with proper care and a produce of 80 parts of juice per 100 of beet roots, 8.08 per cent., while those of Missisquoi would only yield 6 per cent.

However, it would not do to draw too strict conclusions from statement No. 1 and the preceding observations, and imagine that the County of Missisquoi cannot produce as good beet roots as the County of Bagot; the value of sugar beets, other things being equal, depends on the selection of the ground and the manner in which they are cultivated. Farmers have, therefore, to give all necessary care to this cultivation, so that when the manufacturing of sugar will be established in this country they may derive the greatest possible benefits from their crops.

TABULAR STATEMENT No. 2.

COMPARATIVE Results of Analysis of Sugar Beets supplied from the harvest of the year 1876, assayed at Quebec (Q), Brussels (B), and at Paris (P).

No. of lots analysed.	Production of the Beet Roots. County.	Locality.	Producer.	Nomber of analyses made. Q	B	P	Sugar to every 100 of Juice. Q	B	P	Quotient of purity according to density. Q	B	P	Proportional Value of the Beet Roots. Q	B	P
1	Québec	Beauport	Félix Parent	14	2	1	12.88	12.71	12.55	75	73	72	9.6	9.2	9.0
2	Hochelaga	Logan's Farm	Thos. Irving	2	1	1	12.09	12.65	12.45	73	75	75	8.8	9.4	9.3
3	Lotbinière	St. Antoine de Tilly	L. A. Méthot	6	1	1	12.94	12.75	14.44	77	73	78	9.9	9.3	11.2
4	Charlevoix	St. Urbain	On. Gauthier, M.P.P.	4	1	1	11.46	13.15	11.42	75	75	69	8.5	9.8	7.8
5	Montcalm	St. Jacques	J. H. Lesage	1	1	1	13.28	13.38	11.47	75	75	68	9.9	10.0	7.7
5 bis	"	"	A. Lesage	1	1	1	12.54	12.95	11.66	73	72	68	9.1	9.3	7.9
6	Champlain	Ste. Anne de la Pérade	Nap. St. Cyr, M.P.P.	5	1	1	12.97	13.05	11.00	75	75	67	9.7	9.7	7.3
7	Lotbinière	Lotbinière	Phil. Bernard	10	1	1	11.96	12.25	12.92	75	72	74	8.9	8.8	9.5
8	Terrebonne	Terrebonne	L. R. Masson, M.P.	3	1	1	11.93	13.20	13.06	77	74	77	9.1	9.0	10.0
9	Hochelaga	Petite Côte	G. W. Nesbitt	2	1	1	11.79	11.95	13.78	73	72	73	8.7	8.6	10.0
10	Laval	St. Vincent de Paul	Jos. Brunet	3	1	1	13.14	13.35	11.38	77	78	74	10.1	10.4	8.4
11	Vaudreuil	Bigaud	J. E. Chevrier	4	1	1	12.71	12.85	13.30	73	72	77	9.2	9.2	10.2
12	Québec	Charlesbourg	E. et C. Paradis	5	1	,	12.90	13.45	"	77	73	"	9.9	9.8	"
				60	14	12	12.50	12.89	12.45	75	74	72	9.3	9.5	8.9

REMARKS.

The information supplied by farmers, added to the results obtained by my analysis, have suggested some observations which I will point out.

The nature of the soil and of the manure employed has considerable influence on the richness and purity of the juice

After grouping the results obtained from the 118 samples of beet-roots, assayed by 236 analyses, I found:

1st class: 24 samples of beet-roots capable of producing from 8 to 8.50 of sugar, with a proportional value of 10 to 10.6, and worth in money from $4 to $4.25 per ton.

2nd class: 74 samples of beet-roots, capable of producing from 7 to 8 of sugar, with a proportional value of 8.75 to 10, and worth in money from $3.50 to $4 per ton.

3rd class: 20 samples of beet-roots, capable of producing from 6 to 7 of sugar, with a proportional value of 7.5 to 8.75, and worth in money from $3 to $3.50.

By respectively comparing these figures 24, 74 and 20 with 100, I found the following figures for beet-roots grown in vegetable mould:

1st Class	78
2nd do	60
3rd do	50

For those grown in ground more or less manured at the time they were sown:

1st Class	27
2nd do	33
3rd do	45

And for beet-roots weighing three pounds or more:

1st Class	14
2nd do	32
3rd do	70

These facts are in perfect accord with the general experience of all countries where beet-roots are produced; that vegetable mould is the most favorable to the richness and purity of juice in beet-roots; that direct manuring is unfavorable to this richness and this purity of juice, except in the case of special fertilisers; that beet-roots, as a rule, are all the better for

manufacturing purposes, if their weight, when fully ripe, does not exceed an average of two pounds. It is these beet-roots of medium weight which have generally given the best results in my analyses.

While on this subject, I deem it even proper to remark that wherever the interests of the manufacturer can be reconciled with those of the agriculturist, beet-roots are sought for which do not exceed a pound or a pound and a half in weight, by leaving less space between the roots and by adopting a rational method of cultivation. This is actually done in Germany, where, with beets of a medium weight, a practical result of from 8 to 10 per cent. in sugar is obtained, while in France and in Belgium, with heavy beets, the average, in the best years, seldom exceeds 6 per cent. Of late years France has made great efforts to improve the richness of sugar-beets, and invariably the only method by which this result could be attained was that made use of in Germany for producing medium-sized beets by growing the roots closer together and avoiding direct manuring.

In the course of my work I frequently noticed the practical importance of this fact, and I may mention in particular a sample of three beets, whose aggregate weight was two pounds and a half, sent by Mr. Aug. Paillet, of Chesham (Compton.) The analysis of the juice gave me 13.26 of saccharine matter, with a quotient of purity equal to 80, say a proportional value of 10.6, a production ot sugar equal to 8.50, and a money value of $4.25. It was the best sample I analysed. Under these circumstances, the crop may be quite as heavy or even heavier in weight as practical experience proves, for if the roots taken one by one weigh less, their increased number fully compensates for individual inferiority in weight, and, on the other hand, the factory which uses these beets, deriving a greater advantage therefrom, can afford to give a much higher price for them.

To indicate clearly by figures how the size of beets affects their industrial value, I cannot do better than point out two facts which occurred during my analysis:

1. Three beet-roots were sent by the Seminary of Ste. Therese, Terrebonne.

2. Two others were sent by Mr. Benjamin Legault, of St. Martha, Vaudreuil.

COMPARATIVE RESULT.

Name.	Order.	Weight of Beets.	Percentage of Sugar to Juice.	Purity of Juice.	Comparative value	Money value.	Product in Sugar.
		Pounds.	Contents.			$ cts.	
1. Terrebonne	A	8	8,74	72	6,2	2 48	5,0
	B	4	11,94	79	9,4	3 76	7,5
	C	3	13,12	75	9,8	3 92	7,8
2. Vaudreuil	A	6	9,71	67	6,5	2 60	5,2
	B	2	13,33	78	10,4	4 16	8,3

I might instance many similar facts which have occurred during the analysis of the last crop of beet roots, but I think these two examples and the preceding explanation will be sufficient to show the farmers who wish to produce good sugar beets that they have every interest in growing them properly, and according to the instructions given them, which are the result of experience.

Thus, as I said before, and in the opinion of all competent persons, the result obtained is excellent. It enables us to hope for still better ones, which will more clearly demonstrate the advantages which are in store for the manufacture of beet root sugar in this country.

Quebec, 25th March, 1877.

FIRST SUPPLEMENTARY REPORT.

Notes of two analyses of samples of beets kept until 14th May, 1877:

	No. 1. Red top.	No. 2. Green top.
Number of beets....................................	2	2
Average weight......................................	26 ounces	26½ ounces
Hydrometric degree of juice......................	14.50	13.50
Percentage of crystallisable sugar in its juice..	11.49	10.75
Non-crystallisable or deteriorated sugar........	traces	0.10
Quotient of purity according to density.........	0.78	0.79

These beets had been kept in root-houses at Col. Rhodes' farm, at Sillery, near Quebec. The analysis shows that these beets were in a remarkable state of preservation, considering the length of time.

If this fact were an isolated one it would be of little importance; but as it is a general one, and a natural consequence of the climate of this country, it is very instructive, and demonstrates the advantage which the sugar-manufacturing industry would have in Canada, by having six months and more in which the process of manufacture might be carried on, whereas in Europe, owing to the difficulty of keeping the beets, the factories can only work during three months in the year.

The deterioration of the beets is betrayed externally by its decaying or sprouting, and internally by the transformation of the crystallisable into non-crystallisable sugar or liquid, and its gradual destruction as the putrid fermentation takes place, or as the seeds are produced at the expense of the sap in the parent root.

Quebec, 15th May, 1877.

SECOND SUPPLEMENTARY REPORT.

ANALYSIS OF SUGAR BEETS OF 1877.

Since the 14th August last I have made a series of analyses on the beet-roots grown at Spencer Wood. In the following table the increase of richness in the beets from the 14th August to 13th October, 1877 (two months) may be observed:

BEET ROOTS GROWN AT SPENCER WOOD, QUEBEC.

Date of analysis.	Number of beet roots analysed.	Average weight of beet roots—ounces.	Balling; Degree of juice.	Percentage of sugar in the juices.	Quotient of purity according to density.	Amount of sugar to every 100 lbs. of beet roots.	REMARKS.
Aug. 14....	15	15½	9.50	6.73	70	6.22	
Aug. 24....	14	14½	13.00	9.43	72	8.59	From 14 to 24—warm and dry weather.
Sept. 4...	16	15½	12.75	9.60	75	8.75	Colder weather—rain daily.
Sept. 14...	17	17	13.50	11.06	81	10.06	Warm and dry weather.
Sept. 24...	18	17½	14.50	12.17	83	11.03	Fine weather to 22nd—rain on 22, 23, 24.
Oct. 4...	17	21	15.50	12.56	81	11.33	Variable weather.
Oct. 13...	14	16	15.25	12.88	84	11.53	Beet roots are ripe.

The soil in which these beet-roots were grown is slatey, poor and

unfavorable. The beet-roots were grown with care in accordance with the instructions which had been given. The soil had not been manured for several years except a small portion, which had been manured in the spring with a few dead leaves used in covering the hot-beds during the winter. Three-fifths of the ground had been covered with superphospate of lime, but the drought had neutralized the action of this manure. The distance between the rows of beet-roots was 13½ inches, and between the roots in the rows from 7 to 10 inches. These small intervals had been insisted on because we wished to verify a fact established in Europe, namely, that in managing the cultivation so as to obtain small beets by growing them close together, as heavy crops may be obtained per acre, while the beets for sugar-making are of a superior quality and producing power. This fact has been clearly proved in Europe, and the above-mentioned experiment confirms it in Canada.

The final analysis on the 13th October, the day before they were gathered, establishes this fact beyond a doubt, as it gives as proportional value the remarkable result of 10.80, with a money value of $4.32 to the ton. These figures are all the more important that the 14 beet-roots analysed were taken at different points of the field to represent as nearly as possible the real value of the whole crop. Besides a duplicate analysis was made in Montreal by Dr. Baumgarten on 14 beet-roots, gathered at the same time and under the same circumstances, and his figures coincide with mine in the most remarkable manner, as may be seen by the following table.

About this time a box of beet-roots from Wellesley, Ontario, was addressed to the Department of Agriculture, with a request that I would analyse one-half and send the other half to Dr. Baumgarten. The box contained 28 beets, and I made up two lots as nearly similar as possible. I did the same with 28 beets from Spencer Wood, sent the two lots of 14 beet-roots each to Dr. Baumgarten, and analysed mine. The following was the result:—

—	QUEBEC ANALYSIS.		MONTREAL ANALYSIS.	
	Quebec Beets.	Wellesley Beets.	Quebec Beets.	Wellesley Beets.
Average weight of Roots in ounces....................	16	21½	16	21½
Percentage of Sugar to Juice...	12,88	12,26	12,78	12,33
Percentage of Sugar to Beets..	11,64	11,08	11,59	11,23

Notwithstanding the unfavorable circumstances attending the cultivation of beet-roots at Spencer Wood, the crop, carefully weighed, gave 36.750 pounds to the acre, or nearly 18 tons and a half, which would represent a money value, according to the result of my analysis, of $73.50 per acre.

A considerable number of excellent reports have been sent from different sections of the country on the subject of the experiments made with the beet-root seed distributed by the Department of Agriculture in the spring of 1877. As a rule, they report that these experiments have proved very satisfactory, showing a production of from 20 to 25 tons of beets to the acre.

Some samples have been received by the Department. Unfortunately, many could not be identified, because the name of the sender was not enclosed. The following table gives the result of the analysis I have been able to make up to date. They show a marked improvement in the quotient of purity of the juices and in the richness of the beets. This is undoubtedly due to the special care given to the experiments in the cultivation of sugar-beets. This improvement is of course very encouraging.

SUMMARY of analyses made on beet-roots of this year's crop.

Where Produced.	Date of analyses.	Number of beets analysed.	Average weight in ounces.	Balling. Degree of juice.	Percentage of sugar in juice.	Quotient of the purity by density.	Proportional value of the beet-roots.	Money value per ton of beet-roots.
Spencer Wood, Québec ..	October, 13	14	16	15,25	12,88	84	10,8	$4 32
Mr. P. E. Marquis, Dorchester, St. Claire.....	November, 7	12	14	16,00	13,30	83	11,0	4 40
Rév. M. Ed. Dufour, l'Islet, St. Roch des A....	" 10	12	30	16,25	13,66	84	11,4	4 56
Mr. Ferd. Côté, Portneuf, St. Augustin	" 13	6	30	16,75	13,81	82	11,3	4 52
J. G. Lebel, Bonaventure, New-Carlisle	" 26	10	40	16,00	13,39	83	11,0	4 40
Ch. Et. Letestu, Verchères, St. Hilaire...........	" "	10	40	15,50	12,61	82	10,3	4 12
Ph. Bernard, Lotbinière, Ste. Emèlie..........	" "	12	32	16,00	13,59	85	11,5	4 60
Ant. Casavant, Bagot, St. Dominique	December, 3	5	24	15,00	12,53	83	10,4	4 16
Average.........		81	28	15,85	13,22	83	11,0	$4 40

OCT. CUISSET.

Chemist

Quebec, 17th November, 1877.

With Dr Landerkin's Compliments

SPEECH

DELIVERED IN THE HOUSE OF COMMONS ON MOTION TO GO INTO COMMITTEE OF SUPPLY

BY

JOHN CHARLTON, M. P.

(NORTH NORFOLK.)

ON THE

PROTECTION QUESTION

IN REPLY TO

SIR JOHN A. MACDONALD'S AMENDMENT.

———o———

SESSION OF 1878. *OFFICIAL REPORT.*

HOUSE OF COMMONS.

Friday, 8th March, 1878.

SUPPLY—THE BUDGET.

MR. CHARLTON said he must certainly characterize the resolution moved the previous evening by the right hon. member for Kingston as being a most remarkable document. It was a resolution which dealt with vague generalities, which made delusive promises, which took the absurd position that legislative action could be shaped so as to reconcile conflicting interests. When he heard the hon. gentleman read that resolution and his statement that, by a readjustment of the tariff, they could benefit and foster the agricultural, the mining, the manufacturing and other interests of the Dominion, he was reminded of a story which he had once read. A candidate for Congress in the State of Kentucky—whose object was the same as that of the right hon. gentleman, namely, to get into office—in his address to his constituents promised that, if they would elect him to the position which he sought, he would abolish taxation, he would increase the revenue, he would marry, all the widows in that district, become a father to all the orphans, and, if his constituents desired, he would provide a river of brandy, water and sugar. (Laughter). His promises would be as easily redeemed as the promises of the resolution. The right hon. gentleman, in the course of the speech with which he favoured the House, challenged any person present to point out any nation which had risen to greatness through the principles of Free-trade. He was not very familiar with the fiscal policies of the various nations of antiquity or the middle ages, but, if he was correctly informed, Protection, it would be found, was a theory of very recent growth. And, if Rome and Carthage were great commercial states, if Tyre was a great com-

347

mercial city, if Assyria was a great commercial empire, those cities, those empires, those states, rose to greatness without the benefits of Protection, rose to greatness through the principles of Free-trade. Protection came into existence in the 17th century, and it was passing out of existence in the 19th century. It was not to the credit of Protection that it came into existence so late, and was passing out of existence so soon. It was an anomaly, and a sign of decrepitude. The right hon. gentleman had gone on to say that England once had a tariff which gave her the sole control of her home and colonial markets, and would never have attained her present position but for Protection; that, when her manufacturing interests were secured, she would consent to open her markets to the world, if other nations would open their markets to her.

England's Growth under Free Trade.

In 1820, the exports of England amounted to £36,000,000; in 1842, at the end of her protective period, her total exports were £47,000,000; but to-day, her exports exceeded $1,000,000,000. England's rapid advance to the position of a great commercial nation, dated from the period when she abandoned the principles of Protection, and adopted the principles of Free-trade. Since she abandoned Protection, during the brief thirty odd years that she had been a Free-trade nation, her imports and exports had so increased that she had risen to the rank of the greatest commercial power that now existed or that ever had existed, and she owed that proud position to the benefits and blessings of a just and proper trade policy. (Hear, hear). They had been told by the right hon. member for Kingston (Sir John A. Macdonald), that a cry was now raised in England against the admission of American goods. Did any well informed commercial gentleman in this House suppose that the importation of American goods into the English market had been able to attract more than a passing notice from English manufacturers? He (Mr. Charlton) would venture to say that the importation of American goods into English markets would scarcely supply the stock-in-trade of half-a dozen good-sized wholesale houses. Were the English trembling for fear of being supplanted in their own market in consequence of that small proportion of the total exportation of but little more than $1,000,000 worth of iron, or of but little more than $300,000 worth of woollen goods, which went from the United States, abroad, yearly. The export trade of the United States to England was a mere bagatelle, and he ventured the assertion that the invoices of goods which had been sent to England had been sent there—in regard to cotton, woollen, and iron goods—by American exporters at a loss, for the purpose of producing political effect in the United States. The right hon. gentleman (Sir John A. Macdonald) had indulged in a prediction. He (Mr. Charlton) had no doubt that, if the hon. gentleman had lived in days gone by, he would have been found, like Saul, among the prophets, although he doubted whether he would have made a very creditable figure among the Old Testament worthies. (Laughter). However, he had indulged in the prediction that the Protection cry would carry in England; that many of them, now living, would survive to see the day when England would again adopt principles of Protection. He had made another asseveration, that no nation had risen to greatness with one industry alone. He (Mr. Charlton) was inclined to agree with the right hon. gentleman. It would be a very singular nation that had but one industry. He had never heard of such a nation; but, if such a nation existed, it was not likely to rise rapidly in the scale of national greatness. The right hon. gentleman had told them that Russia, a power enjoying the advantage of Protection, was underselling English goods in neutral markets where they met on equal terms. He was sorry that the right hon. gentleman in this case, as in the case of his resolution, was a little indefinite. It would have pleased him (Mr. Charlton) very much if the right hon. gentleman had designated the markets and the countries where Russian and English goods met on equal terms and the Russian goods were underselling the

English goods. It was true that, in the markets of interior Asia, in the countries bordering on the Caspian Sea, where the peoples could only be reached through Russian territory, Russian goods sold simply because all other goods were excluded from those markets; and it was probably to those markets that the hon. gentleman alluded. But he (Mr. Charlton) denied that Russia met England in any neutral market and undersold English goods; and he challenged the right hon. gentleman, or any other member of this House, to show where Russian goods had undersold English goods, or crowded them from markets where they met upon equal terms. (Hear, hear).

Slaughter Sales.

The hon. gentleman had promised that the readjustment which he proposed should not increase the volume of taxation. He (Mr. Charlton) presumed that any readjustment made upon a Protectionist basis could not increase the revenue—in fact it was certain to diminish it—and that was the great objection to the Protectionist policy, that it dried up the revenue, while it increased the burdens of the people; that it wrung extra taxes from them, not to defray the expenditure of the Government, but to increase the hoards and gains of monopolists. The hon. gentleman said that not only was this country made a sacrifice market for the sweepings of the American market, but also at times for the sweepings of the English market. It was always very easy to make a general and sweeping charge, but when they descended to particulars they sometimes found it difficult to establish those charges. With reference to this matter of making Canada a slaughter market, let them look for a moment at the productive capacity and production of our various manufacturing industries, and the importation in those various lines, and compare the volume of the one with the volume of the other. Let them take, for instance, production of cabinet furniture. The right hon. gentleman had drawn a very affecting picture of the distress which existed last summer at the establishment of Hay & Co., of Toronto. He (Mr. Charlton) found, that, in 1870-1, the production of cabinet furniture in the Dominion of Canada was $3,580,978. He presumed the amount had largely increased since. He presumed he would be safe in venturing the assertion that the production of cabinet furniture in Canada last year exceeded $4,000,000. The importation last year from the United States was $276,383. The production per head, in round numbers, was $1.15; the importation, 7¾c. He did not think that an industry so firmly established as this, with a production at least fifteen times as great as the importation, was liable to be swamped by slaughter sales to such a limited extent. Then, if they took carriages. In 1870-1 we manufactured $4,849,230 worth of carriages, and in 1876-7 we imported $91,770 worth. There was not much danger of that industry being swamped by slaughter sales. Then, if they took clothing, in 1870-1, we manufactured $9,345,875 worth of clothing. Undoubtedly, last year, the production must have been from $10,000,000 to $12,000,000 worth. We imported last year $162,958 worth of clothing. We manufactured clothing at the rate of $2.68 per head. We imported at the rate of 3¾c. per head. Was there any danger of that great industry being swamped by importations? Of spikes, nails and tacks, we produced in 1870-1, $1,147,380 worth, and the importation last year was $172,707 worth. Our boot and shoe manufactures last year amounted, in round numbers, to $20,000,000, while the importation was $265,458. We manufactured at the rate of $5 per head and imported at the rate of 5½c. per head. In fact, we imported nothing in the boot and shoe line that could be manufactured here, the importations consisting simply of some fine work for which there was very little demand. Of saddles and harness, we manufactured in 1870-1 $2,469,321 worth, and imported the large amount of $33,384 worth. We manufactured at the rate of 70c. per head, and imported at the rate of 1¼c. per head. Of leather goods, in 1870-1 we manufactured to the value of

$9,134,932, and imported last year to the value of $249,998. We manufactured at the rate of $2.64 per head, and imported at the rate of 5¼c. per head. The production of woollen goods in 1870-1 was $5,507,540, and the importation last year amounted to $323,062, that was, the production amounted to $1.58 per head, and the importation to 7⅛c. per head. In regard to machinery, the production in 1870-1 amounted to $7,325,000, and the importation last year was valued at $262,235. Of agricultural implements, the production in 1870-1 was $2,685,393, and the importation last year $198.825. Talk about slaughter sales, talk about swamping our manufactures by the importation of one dollar's worth of goods where we manufactured and sold $20 worth. (Cheers). He had in his hand a statement in regard to eighteen principal industries of Canada, the total production of which in 1870-1 reached the amount of $73,259,154, and of those industries the importations last year from the United States only amounted to $3,623,376. The figures required no comment. The cry about slaughtered goods was raised for a purpose; the grievance had no existence in reality. (Hear, hear).

Reciprocity of Tariffs.

They had been told by the right hon. member for Kingston (Sir John A. Macdonald) that reciprocity of trade or of tariffs was a cry which was more popular than any other which could be adopted by any political party. Just there the garment which concealed a purpose was sufficiently drawn aside to disclose the cloven foot. There was a revelation of the purposes which induced these gentlemen to adopt this cry—because, forsooth, it was the most popular cry with which they could go to the country. The right hon. gentleman had told them that he had been up and down Canada last summer, that he had been addressing picnic meetings, that he had felt the pulse of the people and knew how they felt on this matter. He (Mr. Charlton) had come in contact with the people to a more limited extent. He had come in contact wit hhis own constituency, which, he believed, was a fair reflection of the people of Upper Canada. He had held twenty meetings in that constituency during the month of January last, and he had felt the pulse of that people pretty carefully, and he could tell the House that, if any of his friends had ever held any opinion as to the feasibility of this specious plan which the right hon. gentleman was urging, they were cured of that idea; and he could assure the right hon. gentleman that, in his belief, when this matter came to be tried before the people, the people would lay its dexter finger upon the right side of its nose and would say to the right hon. gentleman "too thin." (Loud laughter). The right hon. gentleman had told them last night a great many things that were new to him (Mr. Charlton); among others, that very little corn was used by the farmers of Canada, and, therefore, their interests would not be affected by a duty on corn. Well, he (Mr. Charlton) lived in a corn-producing county, and even in that county he had known very large quantities of American corn to be imported and sold to farmers for consumption. This had been done on occasions when, in consequence of poor crops and of having sold too closely in the fall and winter, they found themselves short in the spring; and then large quantities were used for the purposes of feed and human food. He doubted whether those farmers, when compelled to buy corn, would have felt it a great boon if the Government had compelled them to pay higher for it by imposing duties. He declared that the assertion made by the right hon. gentleman that corn was not used to a considerable extent by farmers in Canada was incorrect; that the right hon. gentleman was not rightly informed; and that corn was used to a considerable extent. Why should it not be? Farmers were usually able with 1lb of barley to buy 1½lb or 2lb of corn. A farmer availed himself of the advantage of selling his pease, barley and oats and of buying corn in their place to feed his stock at a price relatively much lower, and any interference with this business was an interference with his rights and privileges. (Hear, hear).

The right hon. gentleman had assured them that the great advantage of a reciprocity of tariffs would be that it would secure for us a reciprocity of trade with the United States. If he (Mr. Charlton) could be convinced that a reciprocity of tariffs with the United States would secure reciprocity of trade with that country, he should certainly favour the measure; but he did not favour the measure because he believed it would have a diametrically opposite effect. He believed that the adoption of this principle of reciprocity of tariffs, while it would fail to confer upon us a single benefit, and, on the contrary, would injure us in every respect, would put into the indefinite distance in the future the realization of any desire to have a reciprocity of trade. It would create a feeling of bitterness and estrangement, and the result would be to postpone indefinitely the realization of our idea for reciprocity of trade.

United States Outstripping England.

He should only allude to one more point in the hon. gentleman's speech. He had informed them, and the same information had been vouchsafed to them by another eminent authority on that side of the House (Mr. Tupper), that England was being crowded out of her markets by competition with the United States. The right hon. gentleman (Sir John A. Macdonald) had told them that, speedily, England would have no refuge, no resting-place in the markets of the world, that she would only have the markets of Africa, that the valleys of the Congo and Zambezi would be the scene of her future trade operations; that the Hottentots, the Mokololos, the Manyuemas, and other barbarious African tribes would be her only future customers, and that her trade would be restricted to exchanges for ivory and palm-oil and cocoa-nuts. (Laughter). He had looked this matter up, and he found that England still had a little trade besides what she had with Africa. He found that her exports of cotton goods, last year, amounted to $211,000,000, woollens $79,000,000, iron and steel $92,000,000. Her exports of manufactured goods to the United States were $12,000,000 more than the total exports of the United States manufactures to all the world. While the United States exported goods to the amount of $72,000,000 last year to all countries, Great Britain exported to them $84,000,000. England's exports to Germany amounted to $100,000,000; to France $80,000,000; the Netherlands $58,000,000; Italy $33,000,000, and to Russia, that paradise of Protection, $30,000,000; South America, $52,000,000, and the United States, as he had before stated, $84,000,000. The total volume of her exports amounted to over $1,000,000,000, and yet, forsooth, although she exported $1,000,000,000 of manufactures, reaching to every town and hamlet on the globe, she was speedily to be driven to the interior recesses of Africa for a market for her manufactures.

The House had been favoured since recess with some remarks from his friend the hon. member for Terrebonne (Mr. Masson) about the subject of Protection. The hon. member very kindly drew their attention to the fact that there were two kinds of protection, the one Protection afforded by the Government, and another kind of protection afforded by creditors. He might have pursued his investigations still further. He would call the hon. gentleman's attention to the fact that there were two kinds of protection afforded by the Government; the first was that protection to life and property, that beneficent protection which the law afforded to its citizens; the second, that kind of Protection which the hon. gentleman was in favour of, that Protection which entrenched monoplies behind the protection of the law; that Protection which said to one man, we will take from your earnings and give to this man who has no right to them; that Protection which favoured one class to the detriment of another; that kind of Protection which the Southern planter enjoyed with reference to the labour of his slaves. There were two kinds of Protection: one true, one false; one which was really Protection, and one which was in reality a high-handed act of robbery, perpetrated for the benefit of small and favoured classes. (Cheers). The hon. gentleman also stated that everybody

now admitted that the depression in Canada was most crushing. Well, he (Mr. Charlton) at the risk of appearing singular in the matter, must decline to admit this; and, later in the evening, he would take occasion to show why he did decline to admit this, and he would produce evidence to show that such general depression did not exist. One other remark made by the hon. gentleman (Mr. Masson) towards the close of his speech also struck him. It was that, if Protection in the United States had produced over-production, somebody had benefitted by it,—that the workman had benefitted by it in being enabled to get cheap goods. He understood his hon. friend that they had not complained of over-production in the United States, in consequence of the accumulation of stock which must be sold at a sacrifice, and yet the hon. gentleman was so inconsistent as to object to the consignment of these goods into Canada so that the workingman here, in consequence of slaughter prices, would reap the same advantage as did his brother in the United States, and would be benefitted by being enabled to buy his goods, in consequence of over-production, for less than they were worth.

Imports from United States.

If it were in order, he (Mr. Charlton) should allude to a statement made the previous evening by the hon. member for Cardwell (Mr. McCarthy) in which the hon. gentleman sought to convey an impression that the importation of manufactured goods from the United States to Canada was $51,000,000 per annum. He (Mr. Charlton) challenged that statement at the time, and since that time he had obtained a return from the Customs Department, from which he found that the total imports were $51,000,000; but that the importation of manufactures for consumption was only $24,000,000. He must protest against the reckless use of assertions not founded upon fact, which were calculated to mislead the country.

Mr. McCARTHY said he thought it would be in the recollection of the House that, when the hon. gentleman (Mr. Charlton) put the question to him, he admitted that a mistake had been made.

Mr. CHARLTON said he did not understand the hon. gentleman to concede that he was mistaken, and he certainly left the impression upon the House that he was correct. The balance of this large importation, not comprised in this list of manufactured goods, consisted, among other things, of $12,000,000 worth of grain and breadstuffs, $692,000 worth of wool for our manufacturers, $980,000 worth of tobacco leaf for our manufacturers, also $594,000 worth of raw cotton for our cotton mills, $718 000 worth of settlers' effects belonging to immigrants coming into this country, $1,124,000 worth of hides and pelts for the use of our tanneries, $3,176,000 worth of coal and coke for the use of our manufacturers and as fuel for the citizens, $298,000 worth of dye stuffs, $210,000 worth of raw rubber, and $376,000 worth of flax and hemp for our manufacturers, $663,000 worth of timber, which our timber merchants had bought in the United States, and which was exported from here to foreign countries. (Hear, hear).

Defining Terms.

It would be well at this stage of his remarks to have a definition of terms. They heard a great deal said about Protection and a great deal said about Free-trade, but they heard very little said of any non-protective theory or revenue tariff. The impression that the country would have from the drift of the arguments in this House, would be that it was a controversy on the principle of Protection *versus* Free-trade, while it was needless for him to state that such was not the issue. We had no such policy as Protection, pure and simple, in this country; neither had we Free-trade, nor was there any party proposing to adopt a Free-trade policy for Canada. We had a revenue tariff and what might properly be designated a non-protective system. What was Protection in its aims? Not to secure a revenue, but to impose duties so high as to dry up the sources of revenue; as to exclude our importation and create in the country a monopoly for the

manufacturer of those goods which were excluded by those extreme duties. Protection practically aimed at doubling the burden of a non-protective system to the consumer without benefit to the Government, because it compelled the Government to supplement the sum formerly collected under a non-protective tariff by some other mode of raising the revenue. (Hear, hear). A purely revenue tariff was a schedule of duties imposed on articles in such a manner that every cent of increased cost went into the coffers of the Government; but, where it was necessary to have a large revenue and a great number of articles must be taxed, it was impossible to devise a revenue tariff which did not afford, to a greater or less extent, incidental Protection to home industries. They had a great number of articles now upon the 17½ per cent. list that could be manufactured and were to a large extent manufactured in Canada. They had in the present tariff a measure which afforded in ordinary years a sufficient amount of revenue, and which afforded at the same time an extensive degree of Protection; but, if they imposed too high a schedule of duties, they would be in danger of defeating the purpose they had in view of raising an adequate revenue, by affording too great Protection and unduly stimulating domestic industries to the exclusion of importations. Then, as he had before stated, in defining these terms, they had no issue between Protection and Free-trade. They had no such a thing as advocacy of Free-trade, no party with Free-trade principles; but they now had a party advocating the exchange of the present revenue tariff system for protective duties; a system which, while increasing the cost of goods to the people, would diminish the amount of revenue collected by the Government, and which would, as he believed he (Mr. Charlton) would be able to show conclusively, have in the end a bad effect upon the industries of the country. (Hear, hear).

He would now refer to the charges of inconsistency against himself. He was charged with having been a Protectionist, and with now being a Free-trader. He had from a protective standpoint at no time advocated a higher rate of duty than 17½ per cent.; he had said nothing at any time upon the tariff question which might be characterized by the Opposition as a defence of a revenue tariff and of the present policy of the Government that advocated the reduction of the rate of duties from the point where they at present stood. Was there any inconsistency in that? Gentlemen might say he had talked of Protection, and that he had talked of Free-trade; he might justly claim, speaking from a Protectionist standpoint, that the present tariff was ample for the purpose of affording Protection to manufacturers in this country; he might, as a Non-Protectionist, properly and justly hold that it would be impolitic and unwise to change the present tariff, which afforded the Government the revenue they needed and did not press on the people. He had been unduly criticized; but he did not claim perfect consistency between his present and his former opinions in this matter—consistency of this kind could only exist where there was no progression. When a child was in the arms of his nurse he was, perhaps, taught to believe the moon was a huge cheese; when he became a young man he repudiated that theory; he was inconsistent in repudiating his former belief; but he had advanced from error towards the truth. And, when he became a young man, he formed opinions of life which he was very likely to change on the shady side of forty. In this he had again been inconsistent, and he had again advanced. (Hear, hear). A person who had received the same education as himself, who had been in early life a follower of the views of men like Horace Greeley and Henry C. Carey, was liable to form opinions which, when he had examined evidence on the other side, he would be inclined to modify, and he had no hesitation in saying, and was was not ashamed to say, that he once entertained opinions which he had since very much modified. He did not believe that extreme Protection was a blessing to a country, but he had no hesitation in saying that Free-trade, as an abstract principle, was right. He

would go further than this, he would say that, the nearer they realized in practice this abstract principle, the nearer they were to what was best in the interest of the country. (Cheers.)

State of Our Manufactures.

The House had had many assertions made in reference to the condition of many of the manufacturing industries of this country. To the extent of the depression that now existed in Canada, he proposed to direct attention for a few moments, and he should preface his remarks by stating that in Canada, for the last four years, there had been less depression and less distress than there had been in the United States, where they enjoyed the benefits of efficient Protection. (Hear, hear). He asserted that at the present moment there was less depressson in this country than in England—less depression and less distress than there was in that Utopia and paradise of Protection, Russia. He asserted that we were, in fact, singularly fortunate in this respect as compared with the neighbouring nation. He had entered into a correspondence with a number of manufacturers upon this subject without regard to their political proclivities, and, in many cases, he had received replies. He had received replies from twenty-one extensive manufacturers established in this Dominion, and in these letters he found very satisfactory evidence as to the condition of our manufacturing industries. Taking the first return contained in this correspondence, he found that an extensive cotton mill in the west, last year, earned ten per cent., which was applied to the purchase of additional machinery. Another letter, from a different source, relating to the affairs of the same company, stated that they declared no dividend last year, thus evidently intending to leave an impression upon his mind, that, as far as this firm was concerned, it had been a very bad year indeed, by suspiciously neglecting to state the fact that a dividend of 10 per cent., though not declared, was earned and applied to increase of capacity, because their orders were coming in faster than they could execute them. (Hear, hear). The next letter was from an extensive woollen manufactory, with a capital of $180,000, whose gross profits during the last year were ten per cent.; they reported the prospects for the present year encouraging, and better than they were for the last. The next was from an extensive foundry, with a capital of $180,000; those gentlemen reported that they made no profit on fixed capital last year, in consequence of having unfortunately made a large number of bad debts; they also reported that home competition was too keen; that the measure of Protection they had enjoyed had unduly stimulated that industry, and that, consequently, the business was overdone. (Hear, hear). The next letter was from an extensive woollen manufactory; they reported that the depression had affected their business unfavourably; they saw no prospect of an immediate improvement; profits on capital last year, six per cent. He (Mr. Charlton) had noticed as a remarkable fact that the affairs of manufacturers who had reported that they had made no higher rate than legal interest on capital were considered by them to be in a ruinous condition. The next letter was from a hosiery establishment in the West. The proprietor reported too much home competition; business overdone; believed a revenue tariff the true policy; profits last year, six per cent., very much cut down by bad debts; prospects for this year fair to good. Another letter from an extensive hosiery establishment reported that the trade last year was fairly good; did not anticipate a great increase this year; profits on capital last year, eight per cent. He had a letter from, perhaps, the most extensive sewing machine maker in the Dominion. It reported: "Small improvements so far in 1878; not running on full time; had to be satisfied last year with interest on investment; wants reciprocity." A gentleman extensively engaged in the manufacture of carriage goods reported: "Business fairly remunerative last year; wishes for a duty of twenty per cent." The next letter was from an extensive clothing concern in the West. They reported: "Profits

hardly as great during the last year as might have been realized on capital by loaning it on mortgage and buying notes." An extensive agricultural implement maker in the West reported: "Making reapers, harvesters and various machines; past ten months the busiest ever known; exporting largely to Great Britain, Australia and Africa; export trade rapidly increasing." (Hear hear).

SIR JOHN A. MACDONALD: What African tribe takes reapers?

MR. CHARLTON: The Anglo-Saxons, north of Cape Town, who have, as the hon. gentleman is, perhaps, not aware, supplanted the natives to a great extent. (Laughter). The next was a letter from an extensive sewing machine manufacturer who reported: "Running on three-quarter time; last year's profits reduced as compared with former years; making efforts to extend the export trade; wants free trade in iron, steel, brass, coal, lumber and varnish." It so happened that those were the raw materials required in that gentleman's business. (Hear, hear). Another extensive agricultural implement manufacturer in the West reported: "Have done a larger and more profitable business last year than ever before; anticipate to increase it largely this year; profits tisfactory; want no more protection; present duties afford more protection than those in 1869, 1870, 1871, 1872." A proprietor of a large foundry in the west reported: "Business improving; profits last year twenty per cent.; too much home competition." Another agricultural implement maker said: "Building 1,500 reapers; business increasing; profits last year, twenty-three per cent.; more protection would damage his business." Another agricultural implement manufacturer sent a highly satisfactory letter. He said: "Business increasing rapidly; exporting 400 machines this year; profits last year, twenty per cent. on sales, forty per cent on capital. (Hear, hear). Another gentleman in the same line reported: "Expects to do double the business done in 1877; wants no more protection; profits on capital last year not less than twenty per cent." Another implement maker stated: "Business last year was twenty per cent. greater than ever before, and rapidly increasing; profits satisfactory; exporting to Great Britain, Australia and the United States; wants no more protection." A manufacturer of knit goods reported: "Holding his own; others in the same line in about the same way." Another agricultural implement maker reported: "Profits much the same as in former years; been in business twenty years; seeking to extend trade in Lower Provinces; complains of difficulties in reaching them, and of American competition; has no faith in Tory promises of protection." He (Mr. Charlton) would read an extract on that point for the benefit of hon. gentlemen opposite. The writer said:

"In conclusion, the writer would further state that, he believes firmly when the proper time arrives the Reform party will carry out such measures as the manufacturers and the Canadian people desire; and he has no faith whatever in the Tory cry of Protection, unless it be used as a stepping-stone to another reign of misrule and corruption; and when many of our Reform manufacturing friends, who are so sore displeased with the present Government, will find out that they have been simply gulled by professions that were never intended to be fulfilled, if Protection would in any way interfere with their lease of office."

SIR JOHN A. MACDONALD: Then there are many other manufacturers who are dissatisfied?

MR. CHARLTON said the writer did not say how many. He would take the liberty of reading a letter from a gentleman whose name he had permission to use, Mr. James Noxon, of Ingersoll. That gentleman reported that the last year's profits of the large establishment of which he was the president were twenty-eight per cent. He said:

"The profits of this Company for the last year, after making ample provision for bad and doubtful debts, were twenty-eight per cent. on the paid-up capital stock. Our usual profits were over thirty per cent., but were slightly less last year, owing to a defect in some of our reapers that was not discovered until they had been sent out into all parts of the country, and which cost us a large amount of money to remedy. The prospects for the

present year are good, and we expect to get our profits back to the old figures on this year's business. * * *

There never was a more absurd cry than that manufacturers are languishing for the want of protection, while the fact is the manufacturing industries, not including lumber, are to-day more prosperous than any other of the great industries of the country, with the possible exception of agriculture. It may safely be said, generally, that the manufacturers of Canada are as prosperous as are the manufacturers of any country in the world at the present time." (Cheers).

The result of the reports he had received from twenty establishments was, therefore, as follows:—Six had made profits of twenty per cent. or upwards on last year's business; two reported that their profits were satisfactory, and from what he knew of those, he felt justified in saying that they exceeded twenty per cent., thus making a total of eight out of twenty whose profits equalled 20 per cent. Two reported their profits at ten per cent.; six reported that their profits were from six to eight per cent. last year; one reported profits reduced, as compared with former years; and only two reported that they had made no dividends. He had at his hand a statement of the business of forty-eight of the principal manufacturing establishments in the New England States last year, and he was happy to say that the exhibit made by those Canadian firms to which he had called the attention of the House was a much more satisfactory one than that made by those New England firms, which included the chief manufacturing corporations of those States, representing a capital of $52,320,000. Of those forty-eight firms, sixteen reported, last year, no dividend—in Canada only two. Last year nine of these forty-eight American firms reported profits less than six per cent.; eight reported six per cent.; and seven only reported ten per cent. and upwards. Contrasting the position of those forty-eight establishments with the twenty-one Canadian establishments he had just referred to, it was evident that the condition of our manufacturing industries was highly prosperous compared with the industries of the New England States. (Hear, hear). He had, he thought, furnished ample proof of his assertion, that the degree of depression and distress existing among the manufactures of Canada, at the present time, was less than in the United States. He renewed the assertion that the condition of the manufacturing industries in Canada, at this time, and for the last four years, had been better than the condition of the manufactures of the United States, than the condition of the manufactures in New England, than the condition of the manufactures of Germany, than the condition of the manufactures of Russia.

Sir JOHN A. MACDONALD: I ask the hon. gentleman if he has read all the answers?

Mr. CHARLTON: I have read all the answers, and I have withheld no information I received in answer to those letters.

Mr. ROCHESTER: Read all the letters.

Mr. CHARLTON said he could give the hon. gentleman the names of the firms, and he had already given the substance of the letters. Many of them contained information he was not at liberty to use, and, in some cases, he was not at liberty to give the names of the writers.

Mr. ROCHESTER: We do not want the names, but simply the letters.

Mr. CHARLTON said he did not propose to spend a couple of hours reading a pile of letters of which he had already given the substance.

Sir JOHN A. MACDONALD: Will the hon. member give the answer he received from Robinson & Company, of Preston and Galt?

Mr. CHARLTON: I have no letter from Robinson & Company.

Sir JOHN A. MACDONALD: They wrote you a letter, because I have a copy of it.

Mr. CHARLTON said he might be mistaken, but he would look over the headings of the letters.

Sir JOHN A. MACDONALD: Wm. Robinson is one of the firm.

Mr. YOUNG: Does he say he has been losing money?

Sir JOHN A. MACDONALD: I want to know the name of the firm.

Mr. CHARLTON: I have a letter from Robinson, Howells & Co., of Preston.

Sir JOHN A. MACDONALD: Perhaps the hon. gentleman will read that?

Mr. DYMOND said the hon. member had already given the substance of the letter.

Mr. CHARLTON said he had read such letters as he was authorized by the writers to use, and he would not read any of those he was not warranted in quoting. He had given to the House the information which they had furnished him, and the circular he had issued stated the fact that he wished to know, generally, the condition of business during the past year, and the prospect for this year, for the purpose of using the information in Parliament.

Protection to Manufactures—Benefit—Cost.

Having made the assertion that the extent of the depression in Canada last year, was less than in most other commercial countries, he now made the assertion that whatever depression existed in this country had not been due to a lack of Protection. He made the assertion that the general depression that had existed throughout the world must, of necessity, have affected the commercial interests of the Dominion, and he thought it was almost unnecessary to go into any details in illustrating that matter. It was impossible that the manufacturing and commercial interests of this country should not have suffered from the depression existing in other commercial nations. Now, we had, in this National Policy propounded by the right hon. member for Kingston, a promise that prosperity would be conferred on Canada by protection being afforded to the various industrial interests. They had the promise that this panacea for all ills was to confer prosperity upon our agricultural, mining and manufacturing interests. Let them examine for a moment into the question as to the extent of prosperity efficient Protection would confer upon the manufacturing industries of this country. At the outset he asked permission to call attention to the fact that, in any country, even in highly protected countries such as the United States, where various interests had benefitted from a large degree of Protection, there was an immense number of manufacturing enterprises belonging to that class commonly known as "natural manufactures." The gross production of the manufacturing industries in Canada. in 1870-1, was $221,000,000; deducting from that sum the cost of material, they had a net product of $96,709,000. Assuming as correct the principle laid down by Political Economists, that, in a country such as this, at least four-fifths of the manufactures belonged to the class commonly known as natural manufactures, such as bakers, stone-masons, shoe-makers, carpenters, etc., that must exist in every country, let them see how large a proportion of those industries, existing in 1870-1, were due to the Protection afforded by our revenue tariff. It would be found, calculating upon this basis, that the proportion of the net production due to protection would be $19,000,000. They would find that 187,942 persons were employed in those various industries, and that, at the outside, not more than 37,500 of that entire number were engaged in occupations that were benefitted in any degree by Protection. Then they might credit to the incidental Protection existing at the present time that 37,500 individuals who were in Canada in 1870. The next question was, to what extent would that number be increased by adopting the most efficient imaginable system of Protection? He had gone carefully through the list of imports into Canada for the last fiscal year, and had checked off the quantity and amount of every article that could by any possibility be produced in Canada, and the result of that classification was as follows: He found that we imported last year, of goods paying specific duties, and that might possibly be manufactured in Canada, $398,000 worth; we imported of goods paying seventeen and a half per cent., that might, with the most efficient system of Protection, be produced here, $35,209,000 worth; and on the ten per cent. list we im-

ported goods to the value of $508,000 susceptible of manufacture here; on the five per cent. list, $3,383,000; and on the free list, $3,332,000—the total being $42,832,000 worth of goods imported into Canada during the last fiscal year, that an efficient system of Protection might cause in time to be mostly manufactured in this country. Well, what if we were to adopt that system and impose duty so high as to exclude these goods from coming into this country, and lead to their manufacture here, what would be the first sacrifice that we would make? (Hear). The first sacrifice would be the duties which we had collected on these goods, for the Government would lose the revenue and the consumer would get them no cheaper. These duties last year amounted to $6,661,000. What would be the second sacrifice on the part of the country? The second sacrifice would be to increase the amount of duties that would be necessary to lead to the production of these very goods here. The duties would have to be increased, perhaps 10 per cent., perhaps 20 per cent. He had made a very moderate estimate in this respect. He assumed that the tariff would have to be increased to about 25 per cent., and that the enhanced cost of those goods in consequence of their increased duties would amount to a further sum of $5,140,000. This was the second item. Was there anything else? Yes. Many lines of goods which were already manufactured in Canada under the stimulus of a 17½ per cent. Protection, would be further enhanced in cost in consequence of the advanced duties; and the enhanced cost of those goods which we now imported, he estimated—and the estimate was moderate—at $2,950,000. What then would be the total cost of excluding from Canada, by means of high protective duties, $42,832,000 worth of goods which were imported last year, assuming that we manufactured all these goods here? The total cost would be $14,752,000 per annum to Canada. (Hear, hear). Well, there was the cost at an estimated rate probably ten per cent. lower than would be actually required. Now, what would be the advantage of such a course? No man would deny that the manufacture of forty-two million dollars worth of goods in Canada and the creation of the various establishments necessary for that increased amount of business would be an advantage to Canada. It only remained for them to examine what that advantage would be, and to compare its value to the country with the cost, which he had shown would be not less than $14,752,000. What would that advantage be? How many operatives would the production of $42,832,000 worth of goods add to the population of Canada? In the year 1870, the production of goods in the United States, as shown by the census returns, exceeded $2,000 to each operative employed; and, last year, he noticed that in the city of Cincinnati the production of goods by each hand employed exceeded $2,500. He would estimate, from this data, that each operative, under the system that would lead to the production of these goods in Canada, would produce $2,000 worth. How many operatives then would be added to the population of Canada, if we produced the additional amount of $42,000,000 worth of goods which we now imported. It would add to the population the total number of 22,000 operatives in round numbers. (Hear, hear). Part of these would be men; some of them would be women; some of them would be boys, and some of them would be girls; and, for the purpose of adding 22,000 operatives to our population, and such further number as might be dependent on those who were heads of families among this number, they were called upon by this admirable policy, promulgated last night by the right hon. member for Kingston, to submit to a loss to this country of $14,752,000 per annum, and they were to pay an annual tax of $625 upon every operative that was brought into Canada, for the purpose of producing in this country the goods that we now imported, and that were susceptible of production here. (Hear, hear). Capitalizing this sum paid as an annual tax, it would be seen that it would amount to $12,500, at five per cent. interest, which would be the cost per head to Canada of the addition to its population of the number of people that would be necessary to produce the goods which we now imported. Was

not this a magnificent theory? The right hon. gentleman ought to receive a leather medal for having devised and promulgated such an astounding receipt for securing national prosperity as this. (Laughter). This was the policy which was to confer upon Canada, upon its manufacturing, its mining, its agricultural, and its other interests, prosperity. This was the policy which called upon the people of this country to contribute over fourteen millions a year in burdens direct and indirect, for the purpose of adding 22,000 operatives to our population. Brilliant beyond measure was this piece of statesmanship. Well, they were promised in a general way that other industries would be benefitted by this policy. What other industries would be so benefitted? Did the hon. gentleman propose to benefit the lumber industry by Protection—one of the most important industries in Canada, an industry that found a market for its products almost exclusively abroad, and an industry that was injured by every additional advance in the cost of the supplies used? The thing was an absurdity. Protection in any degree was an injury to that interest. Under no possible circumstances could a protective policy be devised that could confer one iota of benefit on that great and that important industry of Canada, the lumber interest. (Hear, hear). Did the hon. gentleman propose to confer any benefit upon the shipping industry of the country by imposing taxes upon the material which was to be used in the construction of vessels, by hampering the trade of the country, and by drying up the sources of business that had made Canada the fourth maritime state in the world? The right hon. gentleman might propose to do so, but he could never realize it; he could propose no restriction upon trade in the line of duties that would not inflict injury upon the shipping industry of the country. (Hear, hear). Did the right hon. gentleman propose to benefit the fishing industry of the country by the imposition of protective duties—by imposing duties on salt, by imposing duties on coal, by imposing duties on cloth, and by imposing duties upon food? By no possibility could the hon. gentleman confer one iota of benefit upon that great interest by Protection, and he should proceed to show, in the course of his argument, that the right hon. gentleman could confer no permanent benefit on any industry, by the adoption of the principles of Protection. (Cheers).

Sir JOHN A. MACDONALD: Hear, hear. There is my hon. friend's speech of 1876.

Mr. CHARLTON said that the right hon. gentleman had unfortunately come in rather late. He would not go back and refer to matters to which he he had already referred, and in referring to which he had answered the remark which he (Sir John A. Macdonald) had just made. He had alluded, a few moments ago, to natural and artificial manufactures; and he had made the assertion that in any country, and especially in such countries as the United States and Canada, the great bulk of the manufactures belonged to that class known as natural manufactures, to that class of manufactures that would exist in any country, and to that class of manufactures which were injured by Protection.

Protected Industries and Protection.

But even protected industries were in very few instances permanently benefitted by Protection. He would take as a sample the iron interest. If a duty were imposed, as he ventured to say the right hon. gentleman would propose, on pig iron, what was the effect of this duty on the general iron interest? What proportion to the entire volume of the iron trade of the country did the value of the quantity of pig iron made use of bear? In the United States, in 1860, the total value of the iron product of the country was ten times the value of the product of pig iron: and, in 1870, the total value of the product of the entire iron trade was eight times the value of the pig iron. What was the effect of the duty on pig iron? It raised the cost of the raw material to nine-tenths of the value of the iron industry of the United States in 1860, and to seven-eighths of the value of the iron industry of the United States in 1870. That duty on pig iron was not a benefit, but

it was a burden upon nine-tenths of the iron industry of that country. (Hear). What was the effect of the duty upon bar iron? Every industry in that country which made use of bar iron as a raw material was injured by the imposition of the duty on bar iron. Then there was a duty levied on raw steel; and what was the effect of that? Why, any manufacturer of cutlery in the United States would tell you that, if the Government would take the duty off raw steel, that would be all the Protection they asked. The value of raw steel produced in the United States bore the proportion to the total value of the products of steel of 1 to 30; where, with the imposition of a duty on raw steel, one man was benefitted, twenty-nine to whom steel was raw material were injured; and this was the effect of Protection there. What was the effect of duties upon dye-stuffs and upon wool, for, in the United States and in any other country where the protective system was adopted, all interests had to be protected. In the United States, when they protected woollen manufactures, the men who raised the wool demanded that a duty should be levied on wool, and a duty was given them; and in consequence of this fact, the benefits which had been derived by the manufacturer from the duties on cloth, were neutralized, and more than neutralized, by the duties levied on dye-stuffs and wool. What effect did the duty on coal have there, and what would be the effect of it here? It did and would increase the cost to the manufacturer of motive power. It would be an injury to him, and an injury to every manufacturer that used coal in the generation of steam, and to every man who used coal for fuel. A protective duty on coal would be a burden on every industry, except the industry which produced coal for sale. (Hear, hear). What would be the result of the duty on food? It would be a burden on every operative and on every labourer that bought food. It would only benefit the producer of food and it would injure all others. And this was characteristic of the system of protective duties. Once attempt thus to benefit any special industries, and they would commence to rob one to benefit another, and then to rob some one else to benefit some other; and so they would go the round of the whole circle of industries applying a system of robbery and spoliation, and they would leave off where they began. (Cheers). Under the system of Protection, the cost of the manufactured article was invariably enhanced; for, where the raw material of one industry was the manufactured product of another, and the manufactured product the raw material of another, as was continually the case, duties and profits had, in innumerable instances, to be advanced over and over again, and all this would inevitably, from the nature of commerce, add to the ultimate cost of the article.

He wished to call the attention of the right hon. gentleman on the other side of the Chamber to one feature of this new phase of Canadian politics that, perhaps, the right hon. gentleman had not contemplated. He wished to call that right hon. gentleman's attention to the results that were likely to ensue from the making of Protection a political issue. The effect of this would be to introduce an element of uncertainty into the fiscal and tariff legislation of this country and an element of uncertainty that was complained of by American manufacturers as one of the most grievous ills they had to endure. In consequence of having made Protection a political issue in the United States, they had made tariff legislation changeable and uncertain in that county, as illustraed by the fact that there had been thirty-five different tariff Acts. The manufacturer never knew what to expect; he never knew at what moment the popular will would take a shift. If the people were to govern themselves intelligently, they must understand the questions which they were called upon to decide. But take the intricate and complicated questions of Protection and Free-trade, and the masses were scarcely competent to deal with them, or rather their opinions were ever shifting, and the result was that there had been a lack of stability in the commercial legislation of the country. These were the results of political legislation as

regarded the tariff. It had proved in many cases a curse to the manufacturer and to every commercial interest in that country, and, that being so, what were we warranted in believing would be the result of the introduction into the politics of Canada of the question of Protection *versus* Non-Protection? Suppose they adopted the principle of Protection: what would be the effect of it here?

How Protection Affects Agriculture.

Let them first direct their inquiry to the agricultural interest. What was the natural effect of Protection in all countries where that policy had been tried upon agriculture? First of all, it checked the export demand for agricultural products. The artizan abroad, who had formerly supplied his wares to that market and purchased there his supplies of food was, by the operation of protective duties, shut out from the market he had hitherto enjoyed for the sale of the products of his own industry, and, as a natural consequence, his ability to purchase was impaired and he ceased to be as good a customer as he had been. Hence, the first effect of Protection would be to check the export demand for the agricultural products of the country. (Hear, hear). The next effect of it was to check the creation of facilities for transportation. Once they checked the demand for exportation, they also checked the amount of products exported, and hence, as a necessary consequence, they must check the demand for the creation of facilities for transportation in the country. The next effect was to enhance to the agriculturist the cost of implements, the cost of clothing, the cost of furniture, and the cost of the various articles he purchased. The result, then, as regarded the agriculturist, was that the export demand was checked, and the prices were reduced of all he had to sell, and the prices were enhanced of all he had to buy. (Hear, hear). That was the result. And he defied any man on the floor of the House to point out that this result had not been attained in the United States, and to point out anything else than that result to the farmer as the result of Protection there. What was it that would remedy this matter and that would avert this result? One thing, and one thing only, namely, that Protection should create in that country a market for the agricultural surplus and lead to the necessity of the importation of more food than the country raised. If this could have been done, then Protection would have redeemed the promises of its advocates, would have furnished a home market to the agriculturist, and would have compensated him in a measure for the depletion and taxation which he was called upon to endure. Was it possible in this country that a protective policy made so efficient as to lead to the manufacture of everything that was susceptible of being manufactured in this country, but which we now imported—namely, goods to the extent of $42,000,000, with a protective policy that was to add to the population of the country 22,000 operatives and those who would be dependent upon them—was it possible that this policy would add to the population of Canada a sufficient number of people to consume its agricultural surplus? Why, an efficient protective system, the most efficient protective system that could be devised, and a system that would lead to the manufacture in this country of every dollar's worth of goods susceptible of being manufactured here, would not add to the population of the country a sufficient number of people to consume the surplus agricultural products of one county in the Province of Ontario. (Cheers). No, the thing was a perfect fallacy. Once they adopted Protection, the effect was to diminish the receipts of the agriculturist and to increase the cost of all he had to buy, and thus leave him a sufferer in every respect by this policy.

Benefits of Leaving the Farmer Free to Buy and Sell in the Best Markets.

So much for the interest of the agriculturist as regarded this policy of Protection; so much for the promise of the right hon. gentleman and his followers that they would so adjust the tariff as to benefit and foster agriculture among the other interests

of this country. Well, if these were, so far as agriculture was concerned, the characteristics of Protection, what were the characteristics of Free-trade? The first characteristic of Free-trade was untrammelled supply and demand; wherever the agriculturist could find the best market for his products, there he could sell; and wherever the agriculturist could find the cheapest market for what he had to purchase, there he could buy. There were no exclusions, no restrictions and no impediments created by legislation, such as would, in any way, prevent him from realizing the most he could get for what he had to sell, or from securing the best bargains he could find. This was one characteristic of Free-trade. Another characteristic of Free-trade was that it led to maximum production at the minimum cost. Another characteristic was that it allowed men to obey natural laws in all their commercial transactions; it imposed no artificial restraints; it put upon the Statute-book no unnatural laws; it agreed with the principles of common sense; it gave to mankind abundance and leisure in place of that artificial scarcity and increased toil which resulted from Protection. The object and result, he would repeat, of Free-trade was to give abundance and leisure — while the result of Protection was to bring in scarcity and necessity for increased toil to supply the wants of the people. Why, had not God, in his unwritten law, pointed out to man the necessity of Free-trade? Why did the benevolent Creator of the heavens and of the earth give us different zones, different soils, different climes, different productions, different races, and different tastes? Was this accidental? Was not the design clearly that man should hold transactions with his fellow man, and was it not the result of commerce to confer upon one zone the riches and the blessings of all zones? Was not the result of commerce to bring man into contact with his fellow man throughout the length and breadth of the world; to intermingle and bring races together, so that they might mutually confer on each other the benefits of culture and learning, raising men by slow degrees from the condition of savages to that of civilized, intelligent men. Why did we make railways and construct telegraphs? Why did we build ships that made the Atlantic but an ocean ferry? Why did we push our commercial relations with remote countries? We did all these things in order that we might advance our comfort, our happiness and our learning. Whatever legislation, therefore, stepped in and said: "You must not do any of these things," thus isolating a nation from their fellow men, must necessarily injure, instead of benefitting the cause of progress. Commerce was a leveller; commerce was the great civilizer of the world, but commerce also was selfish It was selfish in its aims, but beneficial in its results. A legislation, he repeated, which sought to impose restriction on commerce, was one at variance with the best interests of man. (Loud cheers)

Characteristics of Protection.

Let them inquire into some of the characteristics of Protection. Was it an advantage to diminish the purchasing power of labour? An anecdote was related in a work on political economy which he saw the other day that illustrated that point. A Frenchman planted a vine; he reared and nurtured it till he produced from it a tun of wine. In order to procure some necessary goods for his family, he set out with his wine, for which he was offered 15 parcels of stuff in his native land. Being, however, offered 20 parcels of similar stuff in Manchester, he resolved to agree to the proposal and take the British goods. But when he endeavoured to get his parcels from England, a custom house officer said a tax would have to be imposed upon it. As the tax in question would reduce the net amount which he would receive to the value of only 15 parcels, he asked the Customhouse officer what he should do under these circumstances. "Take French goods," said the officer. "But," said the peasant, "why am I not allowed to exchange my wine with those from whom I can get most?" "Because," replied the Custom-house officer, "it is done to protect the interests of France.

Why that is so I cannot tell you; such, however, is the decree of the legislature, and it must be right." That was the effect of Protection. Its effect was to diminish the purchasing power of labour, to create artificial scarcity and high prices. It was an attempt to create monopolies and rings that would plunder the people for their own selfish purposes; an attempt to take undue advantage of the masses by legislative action. (Hear). The first effect of Protection, pure and simple, was the relaxation of morals. It gave rise to the smuggler, and introduced the false invoice and perjurer. The people were taught that Government was a respecter of persons; that it gave a favoured class the power to plunder the masses by the permission and arrangement of the law. The people would be led to believe that the property acquired by that favoured class was got by theft, and then, by going a step further, they would come to the conclusion that property itself was theft. Protection naturally led to Communism, to the opinion being held that, in the possession of property, there must be something wrong. He regretted that the right hon. member for Kingston was not present to hear his reply to the assertion made by him that England acquired her strength under a system of Protection. If we adopted Protection in Canada, what would be gained? What did the right hon. member for Kingston and his followers promise them? First of all, said they, we would have increased manufactures. But in reply to circulars sent out, letters had been received, not from one or two, but from a large number of gentlemen engaged in manufacture, pointing out that production was already over-done in this country in many lines. (Hear, hear) If foreign goods were excluded from Canada, the measure would, at first, be followed by great progress, great prosperity and high dividends for manufacturers. But the result would afterwards become very different. Too many persons would go into business, and one of two things must inevitably follow. Either the manufacturers, becoming aware that too many were in the field and that the production was too great, would combine to run short time and reduce production at the cost of the consumer, or great accumulations of surplus stock would result in depression, general panic and bankruptcy, accompanied by a weeding-out of the superfluous number of establishments. That would cause great commercial loss and injury, and would result in the entire ruin of many of the men for whose benefit the policy was inaugurated. The country would lose nearly $15,000,000 a year for the purpose of adding 22,000 operatives to the population without permanent benefit to those for whom this vast taxation was imposed. It would be a loss to the manufacturer and the operative alike—to the coal miner, the salt producer and the agriculturist.

Grain Duties—Indian Corn.

Let them examine particularly what would be the effect of that policy on the agriculturist of the country. Protection, or a protective policy, would raise the price of all goods he had to buy. But these gentlemen promised the agriculturist a certain boon in the shape of duties upon grain, but, if a tax was imposed on grain or breadstuffs, what benefit would he derive therefrom? In ordinary years, we exported a surplus of all grains except corn, but, in exceptional years, we might possibly be forced to buy or import from elsewhere, to a limited extent, for home consumption. The United States exported their surplus to England, so did we, and the prices received in England regulated the prices of the producer in the United States and Canada. There was one grain, and one only, which he was free to admit an import duty would raise the price of; this was Indian corn. He would like to be informed, in the event of their ever adjusting the tariff, what tax it was the intention of those who advocated this National Policy to impose on corn? Some years ago, 3c. a bushel was levied, but he presumed they would be in favour of a greater degree of Protection now, and he would suppose they would be in favour of a duty of 5c. The hon. gentlemen opposite might correct

him if he was wrong. (Hear, hear). Assuming this to be correct, he would take the case of his own county for the purpose of showing how the corn belt of the Dominion, lying along the north shore of Lake Erie, would be affected. That county was one of the few in Canada where corn was produced. If a calculation was made in order to show clearly the probable result of the proposed policy to the county of Norfolk and the corn belt, it would be seen that no advantage would be conferred on the particular county or belt of country to which he alluded. According to the census returns of 1870-1 the whole amount of cultivated land in the county of Norfolk was 192,000 acres. This would be sufficient for 3,840 farms of 50 acres each. He would suppose that one-tenth of the cultivated area of the county was, each year, devoted to the growth of corn, and, as a practical farmer, he affirmed that this exceeded the actual proportion of cultivated land usually devoted to the growth of corn in the corn belt. This would give 19,200 acres as the breadth of land annually devoted to the growth of corn in the county of Norfolk; he would estimate that the average crop of shelled corn per acre was 30 bushels, and he believed that no practical farmer would say this was too low; this would give an annual crop for the county of Norfolk, of 486,000 bushels, and he ventured to say that a crop of half a million bushels was much in excess of the average corn yield of that county. No doubt the farmers of the county would require, on the average, to use at least one-half of the crop raised by them for the purpose of fattening pork, feeding teams, stock, etc., this would leave a surplus for sale of 243,000 bushels in that county. This estimate of surplus he would venture to say was too large. However, a duty of 5c. per bushel on corn, if it resulted, as he presumed it would, in increasing the price received for this surplus to the amount of the duty, would be 5c. per bushel on 243,000 bushels as the amount of benefit the county of Norfolk would derive from the National Policy, or $12,150—that, divided amongst the 3,840 farmers of the county, would give to each one of them the sum of three dollars and sixteen cents. (Hear, hear). That was to be to each one his share of the plunder to be obtained by this proposed scheme to violate the principles of sound commercial policy, if not of common honesty. Now, what were the farmers of Norfolk to be called upon to pay in exchange for this sum of $12,150 which was to be the share of profit that county would derive from this much vaunted National Policy? He had pointed out earlier in his speech that the cost to Canada of an efficient protective system, that would lead to the manufacture of $42,000,000 more goods here than at present, would exceed $14,000,000 a year. Grounding his calculation upon the basis of population, he estimated that Norfolk's share of this cost to the country of Protection would be $128,000 per annum. Were they likely to submit to being plundered every year to the extent of $128,000 that they might secure spoils to the amount of $12,150; did the hon. gentleman propose to convince them that it was to their interest to lose ten dollars in order to gain one? He could assure them that the intelligent farmers of the fruitful corn belt of Canada understood arithmetic too well to be duped by any such proposal after they had given the matter fair consideration. (Cheers). With regard to the corn question as affecting the interests of the Dominion at large, he found, by the returns of the last fiscal year, that, for that year, we imported corn to the amount of 8,260,000 bushels, costing 51c. per bushel; that we exported of this amount 4,083,000 bushels, receiving for it 63c. per bushel, which left us for home consumption 4,177,000 bushels at a net cost to the country of 40c. per bushel. Could it be shown that this was a trade detrimental to the interests of Canada. He thought not. We handled over four million bushels as factors, and made a profit upon it, giving employment to shipping, capital and labour; and we bought over four million bushels for home consumption at a low rate, and were enabled to sell an equivalent amount of barley, oats, pease and rye, which would otherwise

have been consumed in the country, at a much higher rate than the cost of the corn, thereby effecting a great saving to the country at large. (Hear, hear). Suppose a duty was levied upon corn; could the four million bushels now imported for home consumption under the stimulus of a duty be raised in the corn belt of Canada? It could not. He did not believe that any rate of duty that might be imposed would increase the production of corn in Canada to the extent of 1,000,000 bushels; what then would be the practical result of a duty? It would be as follows: the farmers in the corn belt, under the stimulating effects of a duty, would increase the production, say 1,000,000 bushels; three-fourths of the amount now imported for home consumption must still be imported, and the duty collected upon it would not go into the pockets of the Canadian farmer, but in very many instances, would come out of his pocket; thus the country at large would be taxed upon four bushels of corn, three of which were imported, in order that the farmer in the corn belt might recover the tax upon one bushel. Such a policy was too wasteful and absurd to be entertained for a moment by intelligent men; and he thought he could safely assure the hon. gentlemen on the opposite side of the House that their bait would not be swallowed, and, when farmers came to figure out the matter, it would be found that they would not want so small a small boon at such an enormous cost. (Cheers).

The Barley Question.

He (Mr. Charlton) would refer for a moment to the barley question. It had been asserted by gentlemen on the opposite side of the House that the American duty upon Canadian barley diminished the price received by the Canadian farmer to the exact amount of the American duty. He should not enter to-night into the discussion of this question, though it was his belief that the American duty was actually paid, in a great measure, at least, by the American consumer, and made very little difference, indeed, with the price received by the Canadian farmer. But he would ask the members of the Opposition how, even in the event of their assertions being true, were we to remedy the difficulty? We did not impose that duty. We would gladly take it off, but we had not the power. That power was vested in the Congress of the United States. Hear, hear). Of what avail would it be for us to impose a duty upon barley? It was an article which we sold to a very large extent, and bought to a limited extent. It would not affect the price of what we sold one iota if we were to prohibit the importation of a single bushel. In 1876 we imported 34,099 bushels, and exported 10,000,000 bushels. What effect upon this vast export trade would a duty upon the small amount we imported have produced? In 1877 we exported 6,587,180 bushels, for which we received 69c. per bushel; and we imported 369,801 bushels, for which we paid 40½c. per bushel. In other words, we took a small amount of American barley at 40½c., and sold them our own barley, of a superior quality, in place of it, at 69c. Possibly the larger portion of the barley imported from the United States at 40½c. was mixed in small quantities with our own superior grades, and sold back to them at 69c., and duty added. (A laugh). Whether this was the case or not, what effect could a duty upon barley have produced in that year, when, for every bushel we imported, we exported eighteen bushels? Had a duty excluded the 369,801 bushels of American barley which we imported in 1877, at a cost of 40½c., we would simply have exported that much less of Canadian barley, which we sold at 69c., and the country would have lost the difference in price between 40½c. and 69c. per bushel, or 369,801 bushels. (Hear, hear). Fortunately for Canada, the United States would no longer be our only market for barley. A large trade had, within the past year sprung, up with Great Britain. Our barley had been received with great favour there, and Great Britain could easily absorb our entire surplus. This being the case, English and American buyers would hereafter become competitors for the purchase of our barley. Its price would be fixed, as the price of all our

other cereals now most unquestionably were, in the open markets of the world, and then it would be a matter of the utmost indifference to our farmers whether the American Government did or did not impose a duty upon barley. (Hear, hear).

Handling American Grain Enriches Canada.

What was the purpose, he would ask, which the Americans had in view, when, in 1864, they abrogated the Reciprocity Treaty with Canada. It was that they might allure Canada into annexation with themselves. Had it that effect? On the contrary, it put the consummation of that purpose infinitely further away than before. It proved in the end to have been a blessing in disguise to us. While that treaty was in existence, the Americans purchased our grain and our lumber, and exported them for us. They acted as our factors, and pocketed the profits of the transactions. When the Reciprocity Treaty was abrogated we were forced to look around and do business for ourselves. We commenced exporting our own products; and, having done so for a short time, the idea suggested itself that we might, besides doing our own business, act as factors for the Americans who had formerly acted in that capacity for us. (Hear). Why not go to the Western States, thought we, buy their grain and export it from Canada? This would give employment to Canadian shipping and capital, and Canadian mills. For the four years ending in December, 1876, we handled $30,000,000 worth of American wheat and flour, mostly wheat, and exported from Canada during the same period, a total of $42,000,000 worth. Practically, we exported $12,000,000 worth of our own and $30,000,000 worth of theirs. Did we lose anything by this business? Would it have been a blessing to Canada to deprive our commission men, our mercantile marine, and our banks of the business which this vast volume of trade gave them. It was this vast business, and business of this kind which had made Canada a great maritime state; and hon. gentlemen on the opposite side of the Chamber proposed to deprive our canals, our shipping, and our business men of this great volume of trade which had conferred such vast benefits on Canada. The proposition was an absurd one. (Hear, hear). True, they would say they could devise a plan by which, through the bonding system, this business could be retained. He (Mr. Charlton) denied it. So keen was the competition for the transaction of the western business between the American and Canadian channels, that a very slight difference was sufficient to turn the balance of that trade one way or the other; and the effect of a bonding system, no matter how liberally it might be devised, would be to divert the vast trade now going through Canadian channels, and send it to the American seaboard through American channels. Why did we build these canals? Why were we now spending millions of dollars to enlarge the Welland Canal? What was the policy of the Government? Was it to accommodate our own trade? No; our rulers saw that to the west of us was a country with unbounded resources; they saw that the trade of that country, wherever it flowed, gave beneficial results; they saw that it was building up great American cities on the seaboard; and it was to share in that prosperity that these canals had been devised and constructed. And, now, after the expenditure of the millions which had been required to make these channels of communication effective; now, when the Welland Canal could, when the enlargement was completed, bid defiance to all competitors for the western traffic, were we to step in and impose restrictions which would drive the western trade from our channels? The proposition was one of sheer fatuity. (Cheers). As to the duty on grain, we had a parallel case, which would show how little foundation the idea had that any advantage could be obtained from it. The United States imposed a duty, for the benefit of American farmers, on Canadian grain. Did that ever raise the price of the grain raised in the United States one cent, or confer any benefit on the American agriculturist? No; it simply drove from American channels the business which they enjoyed under the Free-trade

system which prevailed when the Reciprocity Treaty was in force, for their surplus crops of grain, as well as ours, found a market abroad. (Hear, hear).

Prices During and Since Reciprocity.

He desired to call the attention of the House to the average prices which obtained for various kinds of produce when the Reciprocity Treaty was in force, and the prices which had obtained since its abrogation. The general idea was that the abrogation of that treaty had reduced the price of produce sold by Canada. Whether it did or not, the average prices had been higher since the abrogation of the Reciprocity Treaty than they were during its continuance. For instance, from 1854 to 1864, we received an average of $77.50 a head for horses; from 1866 to 1876, since the abrogation of the treaty, we had received an average of $94.53. During the continuance of the treaty, the average amount paid for sheep was $2.75; since the abrogation it had been $2.76.

Mr. BOWELL: How many years does that run over.

Mr. CHARLTON: Ten years.

Mr. BOWELL: That includes the period of the American war.

Mr. CHARLTON said no; that was included in the time of the existence of the Reciprocity Treaty, which was abrogated in 1866. Their neighbours on the other side had closed up their war first, and they abrogated the treaty afterwards. During the continuance of the treaty, the average amount paid for wool was 30c., during the period since its abrogation it was 34½c. The average amount paid for wheat during the continuance of the treaty was $1.13, and since it had been $1.24. What benefit had the American farmer derived from duties on Canadian grain? What had he realized out of the promises held out to him, to induce him to submit to taxation so onerous as to fall little, if any, short of robbery, in order that a few people might amass fortunes? What benefit could he derive from a duty on Canadian grain, when he was a seller of the very same article, and the price was fixed in the open market of the world? The same proposal made here was a delusion and a snare to the agriculturists of this country. (Loud cheers).

Mr. ORTON: Does the hon. gentleman mean to infer that a reciprocity treaty would be an injury to Canada?

Mr. CHARLTON: Not at all; the whole drift of my argument is in favour of free intercourse.

Mr. COLBY: The hon. gentleman's object is, apparently, to show how Protection has affected the prices of agricultural products in the United States.

Mr. CHARLTON said he was proposing to show what the result had been in the country which had given Protection the fairest trial any country in the world had given it.

Balance of Trade.

He had one word to say in reference to the much talked of question of the balance of trade. If a balance of trade existed against a country they were told that it was on the high road to ruin. It would be an astounding fact to his hon. friends on the other side, to inform them that, for the last 17 years, there had been an enormous balance of trade against England which had averaged £113,500,000 in every one of those years Why was not England ruined? Because the balance of trade represented her profits. He would make a familiar illustration of the manner in which false impressions were derived from Customhouse entries. Suppose Mr. A. B., of Halifax, sent a vessel loaded with lumber or fish to the West Indies; suppose the Custom-house valuation was $50,000, and allow for freight and charges to the West Indies $10.000 more. Suppose that the cargo sold in the West Indies for 25 per cent. advance on the first cost, then Mr. A. B. realized $72,500 on the original cost, freight and profit. He invested that in colonial produce and brought it to Halifax. Adding 15 per cent. for freight and other charges, the entry in the Custom-house, inwards, would be $83,375, the outward entry being $50,000. The books would then show a balance of trade against Canada

of $33,375. Had Canada lost that? No; the effect had been to add to the wealth of Canada $12,500; the profit on cargo, the net profit on freight and charges each way would be, say $8,000 more, so that the total amount added to the wealth of Canada was $20,500. The profits of the merchant were the profits on the outward cargo, $12,500; net profit on freight, both ways, $8,000; profits of sale on return cargo, say 20 per cent., amounting to $16,675; total actual profits of the merchant on outward and return cargo, $37,175. Without regard to the merchant's individual gains, part of which were realized by sale of cargo within Canada, the total increase to the wealth of Canada in consequence of the outward and return voyage was $23,500, while the apparent loss, as indicated by the Custom-house entries, was $33,375. Now, suppose another case. Suppose that same cargo cleared from Halifax, and the vessel foundered at sea and nothing was heard of her afterwards. Then the records of the Custom-house would show $50,000 exports, imports nothing; clear gain to the country, $50,000. (Hear, hear). They could see the absurdity of the calculations based upon the generally received opinions as to the balance of trade.

MR. BOWELL: The richer we get the more we buy.

MR. CHARLTON: Yes.

MR. BOWELL: Where does the money come from to pay for it?

Protection in United States.

MR. CHARLTON said he felt that he did not need to ask the indulgence of the House while he entered pretty fully into the discussion of the effect of Protection in the United States, because almost every gentleman on the other side pointed to the United States as a proof of everything he said in favour of Protectionist principles. It was worth their while to examine minutely, and carefully and candidly into the operations of Protection in the United States, and he proposed to ask the indulgence of the House to-night while he entered into that question fully, because they had in that country a practical illustration of the operations of Protection and could leave the domain of theory and judge by actual results in place of speculating about fanciful consequences. They could tell, by carefully scanning the effect of Protection in the United States, what the effect would probably be in this country. That system and its opposite, Non-Protection, had been thoroughly tried in that country. No country had given each of those systems a more thorough and satisfactory trial than the United States. There had been three distinct and different non-protective periods, and there had been three distinct and different protective periods; and from statistics, from the experience of that country in those different periods, they could ascertain to a mathematical certainty, what had been the operation of Protection there, and from that they could draw a very reasonable conclusion as to what would be the result here. (Hear, hear). Their first non-protective period was from 1789 to 1816, their second from 1833 to 1842, and their third from 1847 to 1861. Their first protective period had been from 1816 to 1833, their second from 1842 to 1846, and their third from 1861 to the present time. He proposed to examine, as briefly as he could, into the working of these different periods. He proposed first of all, to direct the attention of the House to the astounding amount of duties and taxation wrung from the consumers of the United States in the last of those periods of Protection, commencing with 1861, and still in vogue.

MR. POPE (Compton): That is the highest.

MR. CHARLTON said it was; but perhaps he had selected it for that purpose, as best illustrating the effect of a thorough system of Protection. The amount collected in the last protective period, as the Custom-house books showed, had been $2,429,978,000. The best authorities in that country—Robt. J. Walker, Wm. Burchard, and other experts in that matter—considered that for every $5 which the Government received in duties under a

protective system, the manufacturers received $14 in enhanced prices for the domestics which they produced. If that theory was correct, while the United States Government had received this enormous sum from the producers of food and the consumers of goods, the manufacturers had received, in enhanced prices, $4,873,000,000.

Mr. ORTON: What is the hon. gentleman reading from

Mr. CHARLTON: From some tables I have compiled from the Custom-house Returns, and authorities I have cited as to increased cost of domestics under Protection.

Mr. ORTON: I thought, perhaps, he might be reading from the speech of the Minister of the Interior at Fergus.

Mr. CHARLTON said this was the result of the direct and indirect cost of these duties. This represented the wholesale cost of these duties. Now, it was fair to add to the amount of the profits of the wholesale and retail dealers, not less than twenty-five per cent., then they had $1,700,000,000 increased cost, in consequence of wholesale and retail profits, or altogether $8,504,000,000 as the cost of that precious system of Protection during the last 17 years. What had they got by it? They had made a loss out of it They had received less for everything they had to sell, and paid more for nearly everything they had to buy. What had been promised to these men to induce them to submit to this frightful taxation? They were promised the same thing which his hon. friends on the other side were promising now. They were promised a policy which should benefit the agricultural, mining, manufacturing, and other industries of the United States. (Hear, hear). This was the promise made; and a more delusive, a more unfounded promise than this that hon. gentlemen on the other side were making never was made; and the same promise and policy, if accepted, would bring in its train the disaster and loss that had followed the adoption of that policy in the United States.

Home Market Promised.

When Protection was introduced into that country, its promoters said to those interested in the agricultural interest: "We assure you, if you adopt this policy, it will create such a vast consumption in the United States that you will have to import agricultural produce from abroad for your own market. Although you will have to pay more for your goods, the system in the end will prove a great gain to yourselves."

Mr. COLBY: Who said that?

Mr. CHARLTON said that the advocates of Protection said it; Horace Greeley, Henry C. Carey, and every man that wrote Protection articles in the United States, from Maine to Georgia and New York to California, said it; and they not only said it, but they brought every possible argument forward to induce people to believe that Protection would create a market at home for the agricultural surplus of the United States.

Mr. YOUNG: That they would have to import into the United States?

Mr. CHARLTON said they promised this, and yet, at this very time, after seventeen years of most efficient Protection, and with its manufacturing system unduly developed, that nation was exporting wheat, butter, cheese, beef, cotton, wool, and all the productions of the farm. (Hear, hear). They had paid enormous sums in order to get this home market, and, although they had adopted the policy of Protection for this purpose, and had been trying all these years to obtain a home market, they had not got it, and had not prospered better than they would have done under Free-trade, as he should be able to show. The agriculturist did not get what had been promised him; he was robbed, not only on the one hand, but on the other: he had to pay enhanced prices for what he bought, and received reduced prices for what he sold. (Cheers). They had an average duty of 44 per cent., which was sufficiently high, if the system could be made efficient. The manufacturing corporations, possessed as they were of vast wealth, had thronged the lobbies at

Washington, and spent money lavishly for the purpose of obtaining the legislation they chose to demand. They had had efficient Protection in that country; and, if the system were capable of producing the results promised, those results would have been produced in the United States. The system was a fallacy there, it would be a fallacy here, it would be a fallacy everywhere; and, where adopted, the people would be robbed for the benefit of monopolies. (Hear, hear). This was so in the United States. The adoption of the system led manufacturers to rapidly extend their operations. They produced a great quantity of goods, and, though profits were at first enormous, the result of the system, which impoverished the consumer from the start, in a few years brought reaction and loss of profits upon the manufacturer himself.

Development of Manufactures.

Was the development of the manufacturing industries of the United States as much more rapid under Protection than under Non-Protection as might have been expected? Let them look at the returns of the manufacturing industries of the country in various periods. From United States census returns he found that the gross product of manufactures in 1850 was $1,019,106,616; deducting cost of material, the net product was $463,982,734. In 1860, after sixteen years of Non-Protection, the gross product of manufactures was $1,855,861,676; net product $854,251,584. In 1870, after ten years of Protection, the gross production had risen very largely. It had risen to the sum of $4,232,325,442; but the increase on the net production had not been so great; it was only $1,743,898. They found, then, that the percentage of increase in the years from 1850 to 1860 was, upon the gross product, forty-six per cent., and the net product eighty-four per cent. This was without protection, but they found on the other hand that the increase on the gross products, under Protection, between the years 1860-70 was 124 per cent, and on the net products 104 per cent. And if they were to make allowance for the inflation of value in 1870, in consequence of irredeemable currency, gold being at a premium of over 20 per cent., the increase in the net product of manufactures in the protective period, from 1860 to 1870, was about 86½ per cent., as against 84 per cent. during the previous ten years of Non Protection. That was to say that, in ten years of Non-Protection, from 1850 to 1860, the increase in the net products of the manufactures of the United States was within 2½ per cent. of what it was under Protection during the years between 1860-70. Now, there was one great industry in the United States—the iron industry—which had always made very strenuous demands on the Government for Protection, and argued that it had peculiar claims on the sympathy of the Government. The hon. member for Cumberland (Mr. Tupper) had informed them that the iron industry of the United States had made great strides under Protection since the time this industry had been established there. Perhaps the hon. gentleman would be surprised to hear that the iron industry was established in the United States in 1700, and that in 1732, they exported a large quantity of iron to England, and, in consequence, the jealousy of English iron-masters had induced them to ask the English Government for protection against that great American industry. What had been the effect of Protection in the case of this industry? Going as far back as 1832, they found that from that year to 1840, in a non-protective period, the total increase in products of their iron manufactures of all kinds was 73½ per cent. From 1840 to 1850, which embraced the same period of Protection, from 1842 to 1846, the increase in the production of pig iron was 77½ per cent. The production of iron for 1850, was 563,000 gross tons; in 1860, it was 884,000 gross tons, an increase of 60 per cent. in a non-protective period of ten years. The production of iron in 1870 was 1,663,000 gross tons, an increase of 88 per cent in ten years under Protection. The production in 1876 was 1,741,000 gross tons, an increase of one-half per cent. in six years of Protection, against 88 per cent. in the preceding ten years, showing that the development of the industry had

reached its climax during the first ten years of Protection ending 1870, and that from that time the progress and growth had almost entirely ceased.

An Hon. MEMBER: What was the duty during the period between 1850 and 1860?

Mr. CHARLTON said the average duties on the entire list of imports in 1857 were $15\frac{5}{8}$ per cent. This was about the amount charged in Canada to-day, and under that amount the industries of the United States had prospered and grown rapidly. He found that in 1850, the value of all manufactures of iron was $135,672,000; in 1860, it was $256,137,000, an increase of 96 per cent. under Non-Protection in ten years. The number of hands employed in this industry in 1850, was 142,000; in 1860 it was 198,000, an increase of 40 per cent. in ten years under Non-Protection in that one single branch of industry. The value of all manufactures of iron in 1870 was $500,000,000, an increase over 1860 of 91 per cent. during ten years of Protection. The number of hands employed in 1870 was 237,000, an increase during ten years of Protection of 20 per cent., as against 40 per cent. in the ten years of Non-Protection, between 1850 and 1860. The number of blast-furnaces in 1876 was 713, and their annual capacity was 4,856,000 gross tons. The production in that year was 1,741,000 gross tons, which showed that they had created a productive capacity of 3,155,000 tons more than they required, and had expended at least $100,000,000 under the unhealthy stimlus of high protective duties, in erecting furnaces in excess of the wants of the country, the vast majority of which would not have been wanted for fifty years to come. (Hear, hear). This vast investment was practically thrown away. It was a dead loss to the country; and, but for the delusive inducements of Protection, it might to-day have been invested in agricultural and other interests, where it would be yielding more or less adequate returns. And not only the iron interest, but nearly every manufacturing interest in the United States had been overdone under the unhealthy stimulus of Protection. A few years ago, it would be remembered, a reservoir had burst, sending a deluge of water down one of the valleys of Massachusetts, which overwhelmed several villages and a great number of manufacturing establishments. Among those destroyed were a number of paper mills, and the calamity was actually viewed as a blessing by the paper interest, because it had reduced the productive capacity, which was too large. In the same way, if an earthquake were to swallow up 400 of the 713 blast-furnaces in the United States, and bury in the bowels of the earth the scores of millions which they cost the owners of the remaining furnaces would hail that calamity as a godsend, because, by an act of Providence, the evil of too much productive capacity would be corrected. So much for the condition of the manufacturing industries of the United States at the present time. The tables he had quoted showed that the increase of the manufacturing industries during the period of Protection from 1846 to 1860 was satisfactory.

Effect of Undue Development.

It was true these tables showed that the increase in the production was stimulated and rendered greater under Protection in the years from 1860 to 1870; but since that time, business had not only been suddenly restricted, but what was the condition of affairs there to-day? A total sum of no less than $200,000,000 had been invested in manufacturing enterprises beyond the wants of the country or the power of profitable employment, and might be said to have been practically thrown away. The system of Protection had unduly and unnaturally stimulated the manufacturing enterprises of the United States, and to-day we found more that two millions of idle men—more idle men, in fact, in that new country that possessed vast areas of fertile virgin soil, inviting the labour of the husbandman—than in Great Britain and Germany. They were told that in the United States to-day there were one million tramps. What was the reason that there were two millions of idle men and one million

tramps in that country? It was because population, by the over-stimulation of manufactures, had gathered together in cities and towns to the neglect of agricultural interests. (Hear, hear.) The agricultural community of the country had relatively received no increase since 1860, and the production of cereals *per capita* was year by year decreasing. One effect of this aggregation of population in cities was shown by the fact that part of the country was, last summer, laid under martial law, in order to suppress lawless violence. In the second manufacturing city of the United States, from a pure feeling of maliciousness and deviltry, a large amount of damage had been done to property by incendiary conflagrations; one railway company having sustained a loss of $3,000,000 from this cause. Communism had been created, and other social ills had followed the adoption of the extreme Protection which had been in vogue in the United States since the year 1861.

Protection and Agricultural Development.

He would produce some agricultural statistics, and if these figures were true, they told an cloquent tale against the policy of the hon. gentlemen opposite. It was important for the people of this country, if they were to deal with this question of Protection, that they should understand that question in all its ramifications; and he had need of no further apology for laying before them this information than that it was necessary in order to understand the practical working of the protective principle in the United States of America. Grosvenor's compilations from the census returns of 1860 showed that the additions to the wealth of the country for that year from farm produce, increase of stock, farm betterments, etc., was $2,600,000,000. Ten years later, and after ten years of Protection, the census returns of 1870 showed the addition to the wealth of the country for that year from the same sources, had been reduced to $2,448,000,000. That was the effect of Protection on the agricultural interests of the country, if these tables were reliable, as they probably were. The statistics showed that the amount of land in farms in 1860, was 407,212,538 acres, and in 1870 the amount of land in farms was 407,735,041 acres, or an increase of only one-tenth of one per cent. of land in farms in ten years. The acreage of land improved in 1860, was 163,100,720, and in 1870, 189,921,000 acres, or an increase in ten years of fifteen per cent. The improved lands in 1850 amounted to 113,032,614 acres, or an increase between the years 1850 to 1860, in a period of Non-Protection, of forty-five per cent. The land in farms in 1850 was 293,560,614 acres, an increase from 1850 to 1860 of thirty-nine per cent., as against an increase in the years between 1860 and 1870, under Protection, of one-tenth per cent. in total amount of lands in farms and of forty-five per cent. against fifteen per cent. in improved lands in farms in the same corresponding period. The same statistics showed the production of cereals and potatoes in 1860 was forty-five bushels per head; in 1868 it was forty-two bushels; in 1870 it was forty bushels, and in 1874 it was thirty-eight bushels; showing a continual and regular decrease in the agricultural products of the United States, based upon the population of the country. (Hear, hear.) In fact, these statistics showed that the agricultural interest of the United States was in a languishing condition and had been, for some reason, the very reverse of prosperous since the introduction of a protective policy.

United States—Exports of Manufactures.

They had heard much from the opposite side of the Chamber, of the wonderful increase in the exports of manufactures from the United States since the introduction of Protection. He found that, in the article of cotton goods, in 1850, after four years of Non-Protection, the exports amounted to $4,734,000, and that ten years afterwards, during the continuance of the same period of Non-Protection, the exports of cotton goods amounted to $10,934,000. This large export of 1860 was in the last year of a Non-Protective period of fifteen

years. In 1866, after six years of Protection, the amount of export of cotton goods had fallen to $1,784,000. After seventeen years of Protection, they found that the export of cotton goods was not greater than at the commencement of that period; that in 1877, under the pressure of over-production, under the pressure of absolute necessity to dispose of accumulation of surplus stock, the export of cotton goods had only reached $10,235,000. The following table gave the export of cotton goods from the United States in various years, from 1850 to 1877. The first five entries were during a period of Non-Protection—the last five during the last period of Protection:—

Exports in	1850	$ 4,734,000
do	1857	6,115,000
do	1858	5,651,000
do	1859	8,316,000
do	1860	10,934,000
do	1866	1,780,000
do	1870	3,787,000
do	1874	3,569,000
do	1876	7,722,000
do	1877	10,235,000

If the ratio of increase from 1850 to 1860, in a period of Non-Protection, had been maintained, the exports for 1870 and 1877 would have been as follows:—

Export of Cotton Goods,	1870..	$25,148,000
do do	1877..	34,000,000

It was evident that the friends of Protection had been mistaken in stating that their policy would increase the amount of exports in manufactures, this table plainly showed that, by reason of Protection, the United States cotton manufactury industry had been rendered less able to compete with foreign manufactures in foreign markets than before. Let them take the total exports of all manufactures in various years as further illustration of the subject in hand. In 1857, the total exports amounted to $31,034,000; in 1859 to $33,848,000; in 1860 to $42,488,000; in 1877 to $72,677,000, against $1,000,000,000, the exportation of England during last year. Would the hon. member from Cumberland (Mr. Tupper) say, in the face of these facts, that the United States was jostling England in the markets of the world, and was about to exclude her from them. (Hear, hear). Now, had the ratio of increase from 1857 to 1860, in the United States been maintained till 1877, the total export of manufactured goods would have amounted, in round numbers, last year to $200,000,000. If they had left the Non-Protection system alone, if they had continued the non-protective policy that prevailed from 1847 to 1860, there was every reason to believe that, in the last fiscal year, instead of exporting $72,667,000 of manufactures, their export would have exceeded $200,000,000. So much for the blessings of this system, so far as it was applied to the interests of manufactures.

Protection and the Industrial Classes.

It had been stated that the industrial classes had actually benefitted by this Protection. This was wrong; for by the introduction of the system there had been imposed over $8,000,000,000 in direct and indirect taxation, as he had previously shown, since 1860. The census of 1870 gave the number of persons employed in all industries at 12,506,933. He had been at great labour to ascertain the number of manufactures benefitted by Protection, and he found that, of the number of work-people mentioned, only 510,000, making a liberal estimate, had been benefitted by Protection. By selecting natural manufactures from manufactures belonging to protected industries, he found that the products of natural manufactures in 1870 amounted to $2,351,733,000; and, deducting the price of material, to $942,767,000 net; and the workpeople employed in these manufactures not only were not benefitted by Protection, but were actually injured by it. Out of the total industrial population of the United States, which was stated at 12,505,000 in 1870, on a liberal calculation not more than 510,000 employed in industries were benefitted by Protection, or about one man in every twenty-five of the population. No better illustration of the utter absurdity of the system than this could be brought forward. (Hear, hear). The net product of six great protected industries, viz., iron, cotton, woollen, paper,

salt and glass, in 1870, was $947,925,000, and, deducting material, a net product of $404,524,000, the gross production, per hand, in natural manufactures in 1870 was $2,322; gross production, per hand, in six great protected industries was $1,878, as per census returns. The net production, per hand, in natural manufactures in 1870 was $895, while the net production of six great protected industries the same year was only $801 per hand, showing that the industries fostered by Protection were not producing so large a net result as the natural manufactures were. This afforded an illustration of the absurdity of endeavouring to build up industries that that country was not prepared for or adapted to.

Prices of Farm Products and Rates of Wages, Under Protection and Non-Protection.

He should bring his remarks to a close by offering some tables showing the relative prices of farm products, labour, etc., during the periods of Protection and the periods of Non-Protection. These tables were of the utmost importance in forming an estimate of the results of a protective policy. The first reliable statistics relating to food prices, derived from the United States Treasury reports, did not date back earlier than the year 1825. Commencing with that year, he would give a table showing the average prices of wheat, corn, oats and cotton in different periods of Protection and Non-Protection, down to the year 1860, as follows:—

	Wheat.	orn.	Oats.	Cotton.	
1825 to 1832...	$1.10½	62	37	10¾	Protection.
1833 to 1842...	1.35½	77½	43	12	Non-Protect.
1843 to 1846...	1.02	57	34½	6½	Protection.
1847 to 1850...	1.26	68½	43	9	Non-Protect.
1850 to 1854...	1.44	71½	47	9½	do
1855 to 1860...	1.69	81½	48½	10½	do

This would give an average price of wheat during all the periods of Protection from 1825 to 1860 of $1.06¼, of corn 59½c., of oats 35¾c., of cotton 8⅝c. During all periods of Non-Protection, from 1825 to 1860, the average prices were—wheat, $1.43⅝; corn, 74¾c.; oats, 45⅝c.; cotton, 10¼c. The average price of wheat from 1861 to 1869, under Protection, was $1.06, gold. These were contrasts of the prices of the various products of the soil during the periods of Protection and Non-Protection. (Cheers). Did not those figures show conclusively that the average prices of these products were less under Protection than under Non-Protection. The following table showed the comparative prices obtained for flour during different periods:—

Average price last 4 years, Non-Protection period, 1839 to 1842............	$5 45
Average price 4 years, Protection period, 1843 to 1846............................	4 46
Average price 15 years, Non-Protection period, 1847 to 1861........................	5 86
Average price 9 years, Protection period, 1862 to 1870..................................	4 71

He would only trouble the House with two more tables, setting forth the average price of wool and the average price of labour during the different periods of Protection and Non-Protection, and then he should be done with his statistics, which could be left to tell their own tale. He would first call attention to the prices of wool under different periods of Protection and Non-Protection. The United States Treasury report showed the following with regard to prices of wool during the different periods:—

	Common.	Merino.	Pulled.	
1825 to 1832......	27⅛	43¾	32⅝	Protection.
1842 to 1846......	32½	32	27	do
Average..........	25 5/16	37⅞	29 13/16	During 2 Protection periods
1833 to 1841......	34	49	42	Non-Protection.
1847 to 1856......	32	39½	31	do
1857 to 1860......	35¼	44½	28½	do
Average..........	33⅞	44⅓	33⅚	During 2 periods of Non-Protect.
Price in 1860 av	38½	50	29	Non-Protection.
" Gold 1869 "	36½	41½	26¼	Protection.
" in 1846 at end of Protection period........	20½	27½	22½	End of a Protect. period of 4 yrs.
Price in 1850, after 4 yrs Non-Protection	33½	40½	34½	A ter 4 years of Non-Protecti

He held in his hands a table of wages which established the fact that in the great manufacturing city of Lowell, Massachusetts, the rate of wages in all

the different employments was uniformly higher in a non-protective periods than in a protective periods. Taking the woollen and cotton factories, it appeared that the average daily wages paid at that city were as follows: Cotton in 1839, Non-Protection, $1.32; in 1845, Protection period, $1.05; in 1849, Non-Protection, $1.30; in 1859, Non-Protection, $1.43. The daily wages in woollen mills during the same period were as follows: 1839, 94c.; in 1845, 89c.; in 1849, 84c. and in 1859, 90c. A comparison of the average rates of wages in various trades in 1845, at the end of a Protection period, and in 1860, at the end of a Non-Protection period, would show the following contrasts.—

	1845.	1860.
Edge tools, weekly.......	$7 50	$10 70
Hardware, daily.........	1 25	1 55
Foundry and glassware, daily...................	1 22	1 51
Leather, weekly.........	6 00	8 00
Paper mills, daily.......	1 00	1 23
Farm labour, monthly..	9 00	14 00

Though without thoroughly reliable data, he ventured to say that labour in the United States was more insufficiently paid after seventeen years of Protection than in 1860, after nearly the same period of Non-Protection, and he unhesitatingly asserted that it was vastly more difficult to obtain employment.

He might sum up his statement by saying that he considered he had produced abundant evidence of the fact that the effect of Protection on agriculture in the United States had been a disastrous one, and that the effect of Protection on manufactures in the United States had also in the end been a disastrous one. $72,000,000 of goods were exported last year, but the annual interest at six per cent. on the vast sum paid directly in duties since 1861 for the purpose of protecting home industry would amount to almost exactly twice that sum, or to $144,000,000 per annum. He had shown that the production of cereals per head had fallen year by year; that the rates of increase in the agricultural population of that country had diminished; that the prices realized by agriculturists under Protection had been less than under Non-Protection; (hear, hear;) and that the effect of Protection on manufactures had been to involve the entire system in ruin. He had shown that hundreds of millions of dollars to-day in the United States were invested uselessly and practically lost, and that, in consequence of the evil of over-production, American manufacturers had succeeded in exporting goods to a limited extent which, under the normal action of Protective duties, they would not have been able to do. He had shown that the position of manufacturers in the United States to-day was more depressed than that of the manufacturers of Canada or any other great manufacturing country, and that depression, which sat like a nightmare upon their industrial interests, was the direct fruit of Protection in that country, and that the system of Protection had produced unmixed evil in all the industries of the United States. (Cheers.) At a time when the verdict of the American people at the polls had but recently decided by overwhelming popular majorities that Protection was wrong; at a time when the people had declared that the policy of the country should be changed; at a time when legislation was pending in Congress for the purpose of reducing by more than two-thirds the list of articles on which duties were imposed; at this very time certain wise men in Canada gathered together at Toronto, a few weeks ago, from the east, west and north, in solemn conclave, and affirmed, as the leader of the Opposition had affirmed on the floor of this House, that we in Canada want this policy that had caused disaster in the United States,—this absurd policy which had led to the great injury of the agriculturists, the manufacturers, the commercial marine and all the business interests of the United States. (Cheers.)

SIR JOHN A. MACDONALD: What fools the Yankees must be.

MR. CHARLTON said the difference between them and ourselves was, that they had seen their folly, and were trying to extricate themselves from a false position, while our fools were trying to step into their difficulties. (Great laughter,) Those hon.

gentlemen opposite reminded him of the story of Rip Van Winkle, who, tradition said, after sleeping for several years, woke up one morning to see things very much changed. Those hon. gentlemen went to sleep ten or fifteen years ago, during the palmy days of Protection; they had woke up, but had not examined their bearings yet, or observed what the results of the system had been. He did not know whether the hon. member for Niagara (Mr. Plumb), when he was in the United States, was a barn-burner or an old hunker Democrat; but, whichever he was, he was a Free-trader. Though under a Rip Van Winkle spell now, those who felt anxious about his safety might reasonably hope that he would awaken some day and return to his old faith. (Laughter.? Hon. gentlemen opposite were proposing to give this country the Protection system of the United States, to re-enact the English Corn Laws that were abolished thirty years ago, and to confer at one and the same time the blessings of dear corn, dear coal, dear salt, and dearer goods. They proposed to seek the prosperity of the agriculturist, the miner, and all other interests in Canada by a process of depletion, of bleeding, of taxation, by robbing one to enrich the other, and then taking from the other to enrich the one, by a process of plunder, and passing the spoils from hand to hand. They were going to adopt a policy which would enrich the country very much as an old Yankee once said that his boys made money on rainy days when he averred that each one, with a jacknife, a top and some odd trinkets, would commence trading with the others, and before night, such was their 'cuteness, each would be found to have made ten dollars, though they had no more knives, tops and trinkets among them than when they first commenced this system of domestic commerce on a small scale. That was very much the system of political economy that hon. gentleman opposite proposed to introduce into Canada. (Hear, hear.) He had only to say that the policy was a disastrous one, that its practical results were before their eyes, that it had been tried in the United States under most favourable auspices; a country with a vast extent of fertile soil, with great variety of climate and production; a country enriched with the boundless endowments of prodigal nature, and comprising in its vast range of resources a miniature world within itself, and yet, under these favourable circumstances, the system of Protection had completely broken down, and had illustrated the fact that its practical results were disastrous, and could only be disastrous in the extreme. The intelligent people of Canada had but to have these facts placed before them for consideration, and they would reject this political scheme of the Opposition, which was adopted by them, not because they truly believed it to be a policy that would benefit Canada; not even because they expected to reconcile conflicting interests and reduce their absurd theories to practice if successful before the people; but because they believed it would be a specious and delusive cry which would catch the popular ear with its vague generalities and loud promises, and might serve to give them a temporary advantage, and lead them to that goal of their prayers and ambition—the loaves and fishes of office—to reach which, they were willing to travel by any road and to profess any principles. (Loud cheers.)

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SPEECH

OF

HON. DR. TUPPER

ON

THE BUDGET.

FEBRUARY, 1878.

HANSARD REPORT

HOUSE OF COMMONS.

Friday, 22nd Feb., 1878.

MR. TUPPER: Mr. Speaker. I believe the hon. the Minister of Finance, in resuming his seat, at all events may feel assured that he has the sympathy of every hon. member on both sides of the House. I can say that he has excited my sympathy in a very lively degree, because I have rarely witnessed any gentleman placed in a more painful and distressing position than the hon. gentleman was on the present occasion. I had long looked forward to this opportunity to deal with some of the statements which that hon. gentleman thought fit to make during the recess of Parliament at various places in the Province of Ontario, but I confess that I am not inclined to adopt that course during the present debate. I feel that we are brought face to face with a question so important in regard to the condition of the country that I should not be discharging my duty to the House and the country if I were to allow any personal, political or party considerations to enter into a discussion of this kind on the present

occasion. I confess I was a good deal surprised to find the hon. gentleman laying claim, in the commencement of his speech, to his prophetic accuracy. He reminded the House of the time when, sitting on the Opposition benches, he had indulged in certain gloomy forebodings, that never came to pass; that, year after year, when the hon. gentleman predicted disaster, the Government of the day were ready to meet Parliament wtih evidences, not of disaster which the hon. gentleman had predicted, but with a condition of public affairs which that hon. gentleman, during the time he has held the high office he now fills, has never had the pleasure of presenting to the House. I think the hon. gentleman's recollection of his own Budget speeches ought to be sufficient, if there were nothing else, to prevent him from asking the consideration of the House to the accuracy of his prophecies, or the fulfilment of those which he had ventured to make. I hold in my hand a speech of the hon. gentleman, on the first occasion on which he brought down the Budget to the House, and I find that he told us that, if we would give him three millions of additional taxation, for which he asked the House, it would suffice for all necessities. He was at that time fully possessed of information in regard to all the liabilities that rested on the Government and on the country, and yet he used the following language:—

"As far as it is possible to form a calculation, I am in hopes, if a sufficient amount of taxation is now laid on to meet the present gross annual expenditure, that in view of the gradual growth of the country—though I do not believe it will be to the same extent as we have hitherto seen—we may be able not only to meet the requirements of the current year with a small margin over, but to dispense with the necessity for additional taxation for a considerable period, perhaps altogether."

The House, very generously, gave the hon. gentleman all he asked. It voted the additional taxation which he proposed, and hon. members were gratified to learn from one of his colleagues at an early day subsequently that that taxation was levied for the purpose of providing for the construction of the Canadian Pacific Railway. The latter liability, under the scheme proposed by the late Government and the policy to which they were pledged, and by which they were bound, was proposed to be covered by an annual expenditure of $1,500,000. The House was glad to learn, when it had given the $3,000,000 to the hon. the Finance Minister, that it was sufficient to meet all the necessities of the future, and prevent him from coming back to ask for any additional taxation. Hon. gentlemen will feel that, with that statement on record, he occupies a very untenable position to claim the confidence of the House, in regard either to any predictions made in the past or any calculations he may make in the future. I may direct the attention of the House, also, to the statement he made in the following year. In the second Budget speech he delivered, he again ventured on the dangerous ground of prophecy. He said, with regard to the statement made by himself, that, if the House would consent to grant the supplies for which he asked, he did not think they would require any additional taxation —I will read his remarks on that point.

"I may, however, take this opportunity of stating briefly that so far as we can now judge, I have no reason to believe that the estimates of the probable receipts for 1875 will fall short'

Again, as will be seen by reference to the Budget speech of 1875, page 19, the hon. the Finance Minister said:

"I think we may fairly congratulate ourselves that our financial position has materially improved since last year. All immediate demands (which were considerable) have been fully met; there are no pressing claims upon us with the exception of those for Public Works, for at least a year or two; we have a reasonable surplus on the transactions of last year; and I have every reason to believe we shall also have a reasonable surplus on those of the current year."

The House will at once perceive that, so far from the hon. gentleman then believing, as he now leads the House to suppose he believed, that he had anticipated at the time the extent of the depression, he led the House to believe then (February, 1875) that he entertained the hope and opinion that the $3,000,000 would more than amply meet the necessities of the country, and that it would furnish him with a very considerable surplus to deal with as occasion might require. The House must have been surprised when they found the hon. gentleman in 1876 coming down with the confession that, instead of having

the surplus which he had promised the House, he had to confess that he had a deficit amounting to $1,901,000 to meet. In his last Budget speech there was no necessity to tax the prophetic powers of the hon. gentleman to any very great extent, because he was then dealing with the financial position of the country for the current year, with all the evidence that the experience of years in the high position which the hon. gentleman occupied gave him, and with all the means of judging of the commercial condition of the country, available to any one accustomed to feel the public pulse and watch the fluctuations of commerce. In that Budget speech the hon. gentleman, on pages 2 and 3, said:

"Our expenditure has touched the maximum point, which, so far as we can judge, it is likely to touch for a considerable time to come; and on the other hand, our income has been reduced to a very low point—I would fain hope to the lowest point it is ever likely to reach. However that may be, the net result is this, that, whereas our expenditure during the year amounted to no less than $24,488,000 in round numbers, our total receipts fell to about $22,587,000, being a total deficit of no less than $1,901,000."

The hon. gentleman stated, however, that it was due to the extraordinary and abnormal expenditures, and he pointed out what some of these expenditures were, and he referred to this matter as follows:—

"Had there not been an unusual and extraordinary deficiency in the harvest throughout many portions of the country, the calculations on which the Estimates last year were based would have been completely verified, and not only would the deficit have been greatly reduced, but I have no manner of doubt that I would have been able to state to the House, it would have been absolutely extinguished by the end of the current financial year without further exertion on our part."

The hon. gentleman, however, found that, from these causes, exceptional and extraordinary as they were, he had reached a deficit of $1,901,000, and he again asked the House to submit to the not very agreeable process of imposing further taxation. The hon. gentleman obtained the taxes for which he asked. He asked for some $500,000 of additional taxation, and he stated to the House that his last deficit was due to abnormal expenditure, which would not occur again, and that all was to be made serene by giving him $500,000 of additional taxation. Well, the House is always anxious to meet the necessities of gentlemen in his position, and accordingly it granted him readily — too readily, I think—the additional taxation which the hon. gentleman asked. But, Sir, it did it with the assurance that this was to be the end of the taxation he was likely to require, and, in fact, upon the assurance that if it were granted, no further demands would be made upon the country. If this statement had been well founded, the hon. gentleman would not now be in the position of having to bring down a Budget showing a deficit instead of a surplus. But, what is the result, Sir? Why, it is found that the hon. gentleman has discovered a still lower deep than that into which he had sunk before; and, notwithstanding his additional taxation, we have now another deficit amounting in round numbers to one and a-half millions of dollars, or to $1,460,000, at the close of the last financial year, on the 1st of July last. The hon. gentleman said, a year ago, to use his own words:

"To put the matter briefly, the net result is this: The revenue has certainly gained a considerable sum, probably between $400,000 and $500,000, a sum which, I think, represents sufficient to make good any deficiency that is likely to arise next year, even though the imports remain at the present low figure."

I draw the attention of the hon. gentleman to this matter, because I feel, Sir, that, with these evidences in the financial statements, with these evidences in the Budget speeches which the hon. gentleman has favoured us with from year to year, the last claim he should now make upon the credulity of this House is to give him credit for his prophetic knowledge, however great his financial knowledge may be. Well, Sir, he ended that speech with the following sentence:—

"Sir, I believe that we are drawing moderately close to clear water, and if it is impossible, as no doubt it is not possible, for us to escape from the position in which we found ourselves without more or less of peril, the damage we have sustained, all things considered, has been very much less than might have been expected, and I hope with some degree of confidence that on the next occasion on which I may be called upon to address this House, I may be able to congratulate it upon seeing the deficit which now exists entirely extinguished, and our Treasury once more restored to the state in which some years ago it was happily maintained."

Well, Sir, the hon. gentleman shows at the close of this year that we have had deficits for two years, notwithstanding the three and a-half millions of additional taxation which he asked from the House and which he received on the assurance that we were not to be placed in so very unfortunate a position again, and the hon. gentleman is obliged to confess as he has done to-night that he has had $3,361,000 of deficits in two years, and that, in fact, we have had added to the debt of this country over and above all the revenue that the country has afforded him,—nearly three and a half millions—$3,360,000. Well, Sir, I would like to draw the attention of the hon. gentleman to another fact. It is true that the tone of the hon. gentleman's address to-night was very different from that which the House has been accustomed to listen to—it was very different from the tone of his speech last year, and was in still greater contrast with that of the year before, but, Sir, he does not, I am afraid, appreciate, as far as I can gather from the language he used in his address to the House to-night, the gravity of the situation, and perhaps there are no means by which I can impress on the hon. gentleman the gravity of the position to which he has brought the financial affairs of this country more than by quoting to that hon. gentleman the highest authority he recognizes, and that is, his own. He drew the attention of the House on the 16th February, 1875, to the great importance of the great services he had performed for this country by avoiding a deficit. He drew the attention of the House to the enormous disaster it would be to Canada if a deficit should present itself. He pointed out the fact that we were a borrowing country; that we were carrying on large public works; that the progress and advancement of our country depended upon our ability to obtain money from abroad, and that it was important that, as a borrowing country, the credit of the Dominion should be maintained, and he justified himself for having brought forward a project to tax the people of this country three millions of dollars per annum of additional taxation, on the ground that it was necessary in order to prevent a deficit. The hon. gentleman's words were as follows:—

"Had there been no additional taxation there would have been a clear deficit in 1874 of one and a quarter millions, and in 1875 probably of two millions, and in consequence we would have lost control of the market, and the scenes would have again been repeated—scenes which the people of this country had not forgotten—which we witnessed in 1866, when Sir A. T. Galt was obliged to inform the House that he was forced to borrow money on Canadian bonds at the rate of eight per cent. per annum. He would ask the House if they had *forgotten that in 1866-7, our Five per cents.* now quoted at 106 and 107, had run down to a ruinous figure. He had only to say to hon. gentlemen that if they desired to see those scenes renewed, they had only to transfer his friend from Cumberland from the other side of the House to this."

Well, the hon. gentleman has been equal to the task himself. The hon. gentleman has been equal to the task of establishing not one deficit, but two deficits, in the face of three and a half millions of additional taxation imposed upon the people of this country. The hon. gentleman stands here to-night and confesses that he has already laid upon this country that additional debt for the purpose of covering the ordinary expenditure of the country—that additional charge of $3,361,000. But I want now to invite the hon gentleman's attention to what he has just said. What does he tell the House? He tells the House now that he does not propose any additional taxation; that he proposes to submit no measure by which this great calamity, this great disaster, this ruin to the credit of Canada, shall be adverted, although he shows that on the 10th of this month he has a deficit of $617,610. I want to draw the hon. gentleman's attention to his own statement, and to the fact that, in 1874, when, on the 10th February, there was a surplus of $126,000, that year would have closed with one and a quarter millions of deficit if additional taxation had not been imposed immediately. He had a surplus of $126,000 on the 10th of February in that year, but now, on the 10th February just past, he faces a deficit of $617,610, and yet he says that we are to drift, that the Government have no means and no measure to propose by which this increased disaster, which he has pointed out in such glowing and in not too strong terms, may be averted.

Well, Sir, what does the hon. gentleman find as evidence to lead him to suppose that he is going to be in a better position on the last quarter of this year than he was in the last quarter of 1874? Will he say, and will he find anyone to endorse his statement, that the commercial prospects of this country will be better between now and the 1st July next, than they were between the 10th February and the 1st July, 1874. I say there is no person in this House, or in the country, who would hazard such an opinion for a moment. And yet the same hon. gentleman who asked three millions of additional taxation when we had a surplus has nothing to ask from this House now, and no means to propose by which the large deficit now impending is to be met. The hon. gentleman says he thinks the prospects are better, but he does not speak in stronger terms than he did in 1875, and he does not appear to be any more confident—he is not, indeed, so confident—than he was when he concluded his Budget speech a year ago, with the hope that we were now in clear water, and that our dangers were past. I cannot find any evidence from any quarter of the grounds upon which the hon. gentleman seems to buoy himself up on the present occasion. The hon. gentleman had his new taxes to arrest this deficit of nearly a million and a-half, which have not been sufficient for him. The hon. gentleman has had the great disaster, which we all deplore, the St. John fire, which carried into the Treasury at least two or three hundred thousand more of money than would be there if that great disaster had not occurred.

Mr. DOMVILLE: $400,000.

Mr. TUPPER: The hon. gentleman behind me, the hon. member for King's, says the amount has been $400,000. I do not know what the amount was, but we all know that a great quantity of dutiable goods cannot be consumed in a city like St. John, and be replaced, without the country receiving a considerable amount in duty from the goods purchased to replace them.

Mr. MITCHELL: The Finance Minister says the mild winter season and its bad effect on trade would counteract that.

Mr. TUPPER: Then the hon. gentleman speaks of a good crop. But there is this to take into consideration, the prices were low. Well, Sir, what has the hon. gentleman to propose in the present disastrous state of affairs? What has he to propose in view of the suffering industries of this country? What has the hon. gentleman to propose by which the present depressed state of things in this country may be changed, or the people inspired with the slighest hope for the better? He has nothing. If I were Bengough; if I had the power to caricature he has, I would pourtray the hon. gentleman as General Distress, giving to the people the word of command, "Starve." He tells us that the ship of State is rudderless, that she is drifting, that there are no means of guiding her, that the incompetent crew who are on board of her have abandoned all hope of directing her course and have concluded to let her drift, let it be out to sea or upon the breakers. I took the opportunity, Sir, when the occasion presented itself last year to draw the hon. gentleman's attention to the historical fact that the great change which had taken place in the commercial prospects of Canada was not only marked by a change of Government, but by something more important, a change of policy. I took the opportunity of pointing out that the policy which had been pursued by the late Government was in effect a protective policy. I pointed out to the hon. gentleman that, although there was a tariff of but fifteen per cent., yet, owing to the condition of the labour-market of the United States, that tariff gave an enormous protection to the manufacturing interests of this country; that the war had entirely disorganized the labour market of the United States; that the industries that had been brought into existence under Sir A. T. Galt's tariff of 1859 became invigorated by the protection afforded by the condition of the labour-market of the United States, and that, although the tariff was nominally fifteen per cent., we had, as everybody knows, so far as regarded the United States, almost as

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great a protection as if we had at this moment the tariff which the United States has against us. Everybody knows that the state of things was such as to protect the manufacturing interests of this country completely from the United States markets. As far as England was concerned, it was different, of course; the expense of bringing goods across the Atlantic giving a protection we have not against the United States. Not only was that the case, but everything a Government could do to foster the manufacturing interests of this country was done by the late Government. As the hon. gentleman knows right well, we put the material the manufacturers used on the free list. We protected the manufacturers by relieving the raw material as far as possible from taxation. The hon. gentleman knows we allowed machinery that could not be manufactured in this country to be brought in free of duty, thus assisting those who were engaged in such manufactures. The hon. gentleman knows we protected the great ship-building interest of this country by giving the ship-builder everything that entered into the construction of a ship free; which stimulated, to a very large extent, one of the most important industries of the country, and one to which Canada owes more than to almost any single industry that can be named. Then the hon. gentleman knows that we found ourselves in a different position to that in which he finds himself at present, and that, although carrying on the public service of the country with great liberality, we had more money than we required to use, and we made tea and coffee free, taking that taxation off the people entirely. That was a policy eminently calculated to foster the manufacturing industries of the country. Then we found the fishermen labouring under great difficulties. We found that they wanted protection; and what was our policy? Our policy was to give to Canadian fishermen the Canadian fishing grounds, and we asked Parliament to give them the means of protection that we could afford. Every person knows the way in which we were met by hon. gentlemen on the other side of the House with that policy. Everybody knows that we were met with hostility, and that we were told to let our fishermen—

MR. MILLS: No one took that ground except Sir A. T. Galt.

MR. TUPPER: The hon. gentleman is entirely mistaken, and I will come to Sir A. T. Galt before I sit down. And I may remind the hon. gentleman of the unhandsome manner in which he tortured the views of Sir A. T. Galt, and of his presentation to this House, as the views of Sir A. T. Galt, views which he had retracted and withdrawn, and concerning which he has said that he now holds sentiments entirely opposite. When the hon. gentleman attempted to defend himself, Sir Alexander Galt wrote a letter to the hon. gentleman, and he allowed the debate to close without having the manliness of character to read it to the House, and giving Sir Alexander Galt an opportunity of showing that the Minister of the Interior was a mere theoretical politician, utterly incapable of grasping the great commercial questions of the country, and that he had, in his absence, ventured to misrepresent him most grossly. I say that that was the way in which we were met; but we went on, and we protected the hardy fishermen of Canada in the enjoyment of their rights; and what was the result? Why, the result was this: that a treaty was negotiated under which these fishermen had the embargo upon their fish taken off, and the great market of the United States opened to their fish, by the duty of a dollar a barrel on herrings and two dollars a barrel on mackerel being removed. I say that was Protection in a very wide sense to the fishermen of this country. While I am on that subject, I may say that I wish to tender my thanks to the Government for one act of administration that I think every person in this country has reason to be gratified with, and that was the nomination of Sir Alexander Galt as Her Majesty's Commissioner in carrying out the provisions of that treaty. What is the result to-day? Why the result of it is, not only that

the fish of the fishermen of Canada go into the market of the United States free of duty, but after a most thorough investigation, after the most elaborate testimony has been given before an independent Commission, we have got a judicial decision that the privilege we grant to the Americans of fishing in our waters ought to yield us half a million dollars per annum for ever, over and above all the advantages that are received by us from the Americans taking the duty off fish and allowing our fish to go into their markets, and allowing our fishermen to fish in their waters. I do not say that the amount is sufficient compensation, but I say that I believe we owe a debt of gratitude to the Government for having selected a man of Sir Alexander Galt's high attainments, great ability, and admirable capacity, to discharge that important duty, or the result probably would not have been even as satisfactory as it is at the present moment. Now, we are in this position, that we have that as a lever to use in the future, in connection with the United States. The payment of five and a half million dollars is comparatively a small matter, important as it is, to the fact of having that judicial arbitrament by an independent authority placed on record as to that important question. Then, Sir, we protected the tea trade of this country, when we made tea and coffee free. We protected the tea trade of this country from being swept away from under the feet of Canadians and of the commercial men of our own country. I say we protected the tea trade from being destroyed, by the imposition of ten per cent. duty on the tea coming from the United States, and that was another mode in which we fostered the industry and maintained the commerce of our own country. Then, Sir, the House knows very well that we made a great effort to impose a tax to protect the coal trade of this country, and the salt trade of this country, and the agricultural industries of this country by imposing duties upon coal, upon salt, and upon the wheat and coarse grains coming into Canada, and it was only in consequence of hon. gentlemen opposite uniting in a body with a certain number of gentlemen on our own side of the House, who disapproved of that policy—for we carried it by a small majority—that we were reluctantly compelled to abandon it. But I ask the hon. gentleman whether he does not think it is worth while to consider what the effect of our whole policy was upon the commerce and business of the country? This we do know, that while that policy was pursued, Canada prospered, and there was no indication of the existing condition of things until the hon. gentlemen opposite got possession of the Treasury benches, and until the hon. the Minister of Finance was entrusted with the management of the financial affairs and fiscal policy of the country. Our National Policy, I have said, they destroyed before they obtained power, by acting unitedly and in hostility to that measure. But, Sir, they may say, "We raised the duties to 17½ per cent." Well, there is some small question as to whether they are quite entitled to say that, as that was not the original proposal of the hon. the Minister of Finance; but I may say this—they gave no additional Protection to the manufacturing industries of Canada. The addition of 2½ per cent. was utterly insignificant compared with the altered condition of the labour-market of the United States. I may tell the hon. gentleman, further, that what little protection was given to the manufacturing industry of Canada by the imposition of 2½ per cent. additional duty, raising the tariff from 15 to 17½ per cent. was swept away by taking the raw material that our manufacturers consumed out of the free list, and taxing it, so that the policy was as completely a reversal of that which had existed as was possible. Then the hon. gentleman assailed that great industry, which, as I have said, we protected by allowing everything that went into the construction of a ship to go in free. That policy was assailed, and the hon. gentleman came down here, at a time when the shipping interest of the country, hitherto in a flourishing condition, was beginning to be embarrassed—when, owing to the great competition from the large amount of shipping that existed in the world, the profits were being seriously affected, and a good deal of difficulty

was being experienced—the hon. gentleman chose that opportunity to strike a serious blow at the great shipping interest of this country. Fortunately, the Opposition in this House, although comparatively weak at that time, were able to excite such an amount of interest on the subject in the country as to compel the hon. gentleman to relinquish his hold, or that industry would have been seriously injured. The duty that the hon. gentleman proposed was something like a dollar a ton on every ton of shipping that was being constructed in the country, or to be constructed; and it was reduced owing to the exertions of those who had fostered that important industry before. The hon. gentleman was compelled to alter his tariff, and it was reduced to something like 20c. a ton. But even that was an action calculated—while it gave a very small amount of revenue—calculated so far as it had any influence, to injure seriously an interest of great importance to this country. The hon. gentleman then taxed tea and coffee. I have stated that the removal of the duties from tea and coffee was eminently in the interest of the manufacturing industries of the country, because it enabled the employés of manufacturers to live at a cheaper rate than they could otherwise live, but the hon. gentleman was determined to reverse all the policy of his predecessors, and consequently he imposed a tax upon tea and coffee, and swept away the protection that the tea trade of Canada enjoyed. The hon. gentleman by one fell stroke swept that away, and transferred the tea market of this country from Canadians to merchants of New York. So, Sir, with reference to sugar refining, the hon. gentleman found, that owing to the action that had taken place in the United States, a great Canadian industry was about to be destroyed; but he looked calmy on and saw it destroyed. He remained true to the policy of helpless inactivity which he proposes still to continue and remained inactive and helpless while an industry in which some $400,000 of capital had been invested was completely destroyed and extinguished, and the machinery in the refineries which had cost some $400,000 was of no more value than scrap iron. In fact, Sir, the policy of the hon. gentleman was to make Boston and New York, as far as his policy could operate, the commercial capitals of Canada. Now Sir, I am quite prepared to accept the issue which the hon. gentleman has proposed here to-night as between the two parties. I am glad to know, that the time has arrived when we are going to appeal from Pilate to Cæsar, when it will not be in the hon. gentleman's power much longer to defer the great arbitrament of the public sentiment of this country; and it is very important that the legitimate issues between the two parties should be clearly and distinctly placed before the people of Canada. I am willing to allow the hon. gentleman to define his own position and the position of his party; but, Sir, I am not willing to allow him to define our position. As far as his own position goes I accept at once, and without any hesitation, the statement of his own policy, and here it is. I am about to read the exposition the hon. gentleman gives of the policy of the Government at the demonstration at Fergus, when he said:—

"I dare say it will not surprise you to find that the remedies we propose for the depression are still more widely apart than are our several explanations of its causes. It is not our fault that our remedy, like our explanation, is of a very plain and prosaic character. We do not believe that we can obtain prosperity by Acts of Parliament * * * The people of Canada can only grow richer by the exercise of greater frugality and hard work."

That is just the position of the hon. gentleman and his party. That is the fatal mistake which he and the Government of which he is a member have made in their dealing with the financial and fiscal policy of Canada. They do not believe, and have no confidence, in the power of Acts of Parlia to benefit the country. Why, if the hon. gentleman had even looked across the border, he would have seen that a great nation was saved from being severed in two by an Act of Parliament. The hon. gentleman ought to know that, if Governments are good for anything, they are good to increase the prosperity of a country by Acts of Parliament, or to meet difficulties in which a country is placed from time to time, and which require legislative interference. The fatal

mistake which underlies all the hon. gentleman's blunders is this belief that it is beyond the power of Parliament to do anything to help the industries of the country. I will give him an instance in which, I think, he will have to admit that a great deal may be done by an Act of Parliament. I will quote his own words, and out of his own mouth I will prove that an Act of Parliament may do a great deal to enrich the country. I will prove that a measure, originated by the Opposition, pressed upon the Government, and persistently followed up until the Government were compelled to accede to it, has enriched the country to the extent of no less than $2,000,000 per annum. I refer to the Act proposed by my hon. friend from Stanstead (Mr. Colby).

Mr. CARTWRIGHT: Not precisely what he proposed.

Mr. TUPPER: The only change was one which sacrificed unnecessarily $200,000 of Excise revenue, and which the hon. gentleman was kind enough to say to the coal-oil manufacturers of Ontario that he would take off their shoulders and place upon the tea consumers of the whole Dominion. I will show him that an Act of Parliament pressed upon the Government in that way by the Opposition, has enriched the country to the extent of $2,000,000 per annum.

Mr. DYMOND: Was that putting on Protection?

Mr. TUPPER: I tell the hon. gentleman that he has not mastered the first elements of the principles that the Opposition in this House and in the country hold in relation to the fiscal policy of the country if he has not learnt that one of the fundamental principles we hold is that we can advance the interests of the country by lowering, as well as by raising, the tariff. On the 115th page of this valuable repertory of,—shall I say, Grit speeches?

Mr. MACKENZIE: Yes, do.

Mr. TUPPER: Of Ministerial addresses would be more polite,—the hon. gentleman says to his constituents:

"Sir, I don't want to exaggerate, but I am told that, in one way with another, about eight millions of gallons of coal oil are now consumed in Canada. I am told further, that, although it is true that we only reduced our taxes about nine cents per gallon, the result was to break up all the rings and monopolies which had been formed, and which controlled the market, and to give you the benefit and more than the benefit of that reduction, and from that day to this the price has been at least twenty-five cents less than it has been on the average during the last two years. I don't make this statement on my own authority, but on the authority of men well conversant with the trade, and if it be true, then the result of our extravagance and incompetence is that, when we put on a tax of $500,000, we, at the same time, made a reduction, which put two millions of dollars into the pockets of the people of Canada."

I give that to the hon. gentleman as an evidence that sometimes you may benefit the country by an Act of Parliament, and I trust he will admit that in that case I have proved my statement.

Mr. CARTWRIGHT: By repealing a bad Act established by the hon. gentleman.

Mr. TUPPER: I do not intend, Mr. Speaker, to be turned aside from my argument by the hon. gentleman's interruption in order to deal with that question; but, if I did turn aside, I could show that the policy which my hon. friend from Stanstead urged upon the House was perfectly consistent with the duty placed on that article before, taking the relative cost of the article then and now into consideration. I think, however, I am not wrong in saying that the late Government, when they imposed that duty upon petroleum, found hearty support on the other side of the House.

Mr. CARTWRIGHT: Not from me.

Mr. TUPPER: This, then, is the hon. gentleman's policy—"The country may stand or fall, may be prosperous or the reverse, we are flies on the wheel, and those who say that the Government can advance the interests of the country know nothing of what they are talking about. The Government of the country is utterly helpless to advance its interests. All they have to do is to draw their salaries, discharge the administrative duties of their offices, and leave the country to stand or fall, as the case may be, without putting out a hand to save it, or to give it relief in any way." Such is the policy of the Government, for

I take the hon. gentleman to be a good authority for the policy of the Cabinet and of that side of the House; but I will not accept him as an authority for our side of the House. The hon. gentleman has put this as a question between the two parties, and says that the country is about to pronounce on this important subject. I rejoice to know that such is the fact, not only in the interests of the suffering country, which will have the means presented to it of relieving itself from the difficulties in which it has been placed by the mal-administration of public affairs and the failure of the hon. gentleman to fill the high position of Finance Minister in such a way as to carry on advantageously the financial and fiscal policy of the country, but also that the country is going to be divided on a question of great public import. I rejoice that the time has arrived when higher and more elevated questions will come up for discussion than personal politics, and I trust that the elevation of public sentiment which ought to attend the division of this country upon a question of such great national import, whether viewed rightly or wrongly by one side or the other, will be accompanied by that corresponding elevation of political discussions which it is, or ought to be, the desire of every Canadian to see brought about. I will give the hon. gentleman a better authority than his own as to our view as to what is necessary. There is no sort of difficulty now in arriving at an understanding of the respective positions of the two great parties. The place where the policy of any party is defined is on the floor of Parliament, where, in dealing with public questions, the one side presents a policy and the other side controverts it and presents its own. The hon. gentleman must therefore allow me to crave his attention to a resolution moved by the right hon. member for Kingston (Sir John A. Macdonald), which I had the honour of seconding, which defines exactly wherein we differ from the policy of the hon. gentleman. When the hon. the Finance Minister brought forward a proposal to lay an additional tax of $500,000 on the country, and, instead of embracing anything in that policy that was calculated to benefit the country, or foster its industries, he singled out the article of malt, or rather of barley under another name—not to protect it against the unfair competition of the United States and the heavy duties which are imposed on the other side of the line on our barley, but to place an additional duty on our productions, thus depressing and injuring one of the great agricultural interests of this country—when the hon. gentleman made that proposition we moved a resolution which embodied the policy of the Opposition party, and upon which we were prepared to take our stand fairly and squarely before the people of this country. We moved as follows:—

"Sir John A Macdonald moved in amendment, seconded by Mr. Tupper, that all the words after 'that' to the end of the question be left out, and the words 'this House regrets that the financial policy submitted by the Government increases the burthen of taxation on the people without any compensating advantage to Canadian industries; and further, that this House is of opinion that the deficiency in the revenue should be met by a large diminution of expenditure aided by such a re-adjustment of the tariff as will benefit and foster the agricultural, mining, and manufacturing interests of the Dominion,' inserted instead thereof."

There is our policy stated in our own words. There is the policy confirmed by the great Liberal-Conservative Convention which met a short time ago at Toronto, and upon which we, as a party, are prepared to take our stand. The declaration made at that Convention was a manly and straightforward act. We realize the fact that we are on the eve of a great struggle, and are about to go to the country for its judgment between the two parties, and for a party, on such an occasion, to fling out its banners to the wind and boldly affirm the principles maintained in Opposition, and which it is prepared to maintain in power, is an act worthy of the respect of a free people. I ask the House to contrast our policy with the platform of the Government, as propounded at the great Reform Convention held a few weeks ago. Examine that platform. Do you find any principle or policy propounded there? No, nothing but a return to the former evil of personal politics. The great Reform party did not dare to present themselves as Reformers or as men

who could find anything to reform. Having sat on the Treasury benches for four years, without offering a single reform to the House, they knew that it would be useless to seek the confidence of the country as Reformers, but they asked the country to elect them to support certain individuals. Suppose those individuals were swept away by any calamity, which we would all deplore, then the platform of the party is gone and there is nothing to be seen. They have no principles; they have not even ventured to put the words "Free Trade" on their banner. They had not had the honesty to put "Fly on the wheel" on their banner. They have not dared to avow, as the hon. the Minister of Finance has avowed as the platform of his party, that they were advocates of no policy except to admit, with their hands hanging paralyzed by their sides, in the presence of a suffering country, that no people could be benefitted by Acts of Parliament. We believe that the policy of fostering Canadian industries is worthy of any party and worthy the support of the people of this country. We believe that the policy, carried out as it was carried out when we were in power, but carried out in a broader and more extended manner than before, will be beneficial to the people. We believe that closer intercommunication between the Provinces is a policy of great importance, that it is a policy of interprovincial trade. We believe that the Confederation of the British North American Provinces, which has been formed, and which has attracted, and which ought to attract the attention of the world by the magnitude of the territory and the extent of its resources, will be comparatively useless and fail in the great object its founders had in view if there is not found a method by which the commercial interests of this country may be knit together, and a great current of interprovincial trade established which will extend from one end of the Dominion to the other. We believe that reciprocity, which has been advocated by all parties and classes in the country, is clearly identified with the policy we have pursued and that we propose to pursue.

MR. MILLS: Hear, hear.

MR. TUPPER: I think I shall be able to show the hon. gentleman who is so anxious in regard to the matter, some tolerably good evidence on that point. We are asked to look at England. It is said we are a British Colony, and why do we not take the stand of the Mother Country and adopt the policy which England has pursued and is now pursuing. I reply that there is a great difference between this country and England, and you cannot discuss the question of Free-trade and Protection in any country except in connection with the relations of that country to those which adjoin it, and their fiscal policy. I say that if Canada was like England, unable to grow its own corn or rear its own cattle, unable to provide either the corn or the cattle it required for home consumption, I would be an out-and-out advocate of Free-trade in these commodities. I say a policy of Free-trade in corn and cattle was a policy that was eminently calculated to foster the manufacturing industries, and that such has followed its adoption in Great Britain. That policy had precisely the same effect which the abolition of the duties on tea and coffee had here, to a relative extent, namely, to cheapen the means of living to our artizans. But, while adopting the Free-trade policy, and extending it to her manufactures, be it never forgotten that England did not do so until she had, by a purely protective policy—by one of the most protective policies ever framed, except, perhaps, that in the neighbouring country of the United States, and to some extend it was quite as high as that which exists there—made herself mistress of the manufactures of the world. She did not adopt Free-trade in regard to manufacturing industries, until under her protective policy such a mass of capital had been brought into the country, and such an amount of skill and labour obtained as enabled her to distance all competitors. Had the same policy of Free-trade been adopted by other countries when England declared for it, she would have been successful in her Free-trade. But it was not so adopted, and I need not tell any person who is watching the signs of the times that many of the clearest

minded men in England, and those who have been most enthusiastic and ardent adherents of the policy of Free-trade, are now looking the question seriously in the face, as presented by the stern and unanswerable logic of facts, and are asking themselves the question whether they have not gone too far, and whether, in the interests of England, they will not be obliged to recede. Other countries have followed the old protective example of England. Germany has followed it; France has followed it; the United States have followed the protective policy that made England the great country that she is, and gave her the prominence as a manufacturing country that she enjoyed in connection with her great deposits of coal and iron—I say that policy has attracted the attention of other countries which have followed it, and with what result? That the great markets England had in the United States, France, Germany, the greatest markets she possessed for her manufuring industries, are becoming closed to her, because they have adopted the protective policy which made her the great country she is, and they are shutting her out of the markets which only yesterday she claimed as her own. I have in may hand, Sir, an article from the London *Daily Telegraph* which refers to that matter, as follows:—

"American calicoes are reported to meet with increasing acceptance in Manchester. The saws and cutlery of Philadelphia and Pittsburg are sometimes preferred to similar manufactures produced in Sheffield. The machine-made watches of Waltham threaten to supplant the solid horologic workmanship of Coventry. Leather from the United State evokes from the tanners of Bermondsey the confession that they are no longer able to sell the same material of a certain quality against the trans-Atlantic product. Agricultural implements bearing the trade mark of a New York Company are to be found exposed for sale in English hardware shops; and indents from the colonies entrusted to firms in London and Birmingham for execution actually incl de American edge tools. The town last named was, until recently, regar ed as the chief source of supply of small arms for the world; and it was confidently anticipated that the present struggle in the East would have imparted a potent stimulus to gun manufacture in that locality. But for the first time in the history of modern warfare that branch of industry in the midland metropolis has failed to reap any advantage. The Winchester rifle in use by the Turk is produced in Rhode Island."

I give that to the hon. gentleman as an answer to those who say that the policy we propose is an un-English policy; and as evidence that some stronger and better argument than that is required to be brought forward in connection with it. But, Sir, the hon. gentleman would like very much not only to frame his own policy—and we are quite willing that he should do so—but he would also like to have the advantage of framing ours for us; and he accordingly has undertaken to say that the question as he would submit it to the country is a question of high or low taxation. He says that "if the people want high taxes, let them take the hon. gentlemen opposite, and if they want low taxes, let them sustain the present Government." Well, Sir, I am not disposed to allow the hon. gentleman not only to misstate our policy, but also to misrepresent it, as that statement of the question does most grossly, but I think I will satisfy the hon. gentleman himself, although I know that is a very difficult thing to do when he once has made up his mind, and I am not too sanguine about that, but I think I will satisfy a good many hon. gentlemen behind him of the accuracy of my assertion when I say that statement must not only be withdrawn as applied to us, but must also be reversed. I will show the hon. gentleman that it is the Government of which he is a member which wants the high taxes, and that it is the Opposition and the gentlemen who sit on this side of the House who claim to be the friends of low taxation. Now, Sir, the hon. gentleman knows that the country has had some experience in that regard. The hon. gentleman knows that, under a tariff of 15 per cent., the late Government were enabled not only to provide liberally for all the public services of this country, but also to provide sixteen millions of current revenue for the capital expenditure of Canada, reducing the debt of this country by that much during the period we were in power. And the hon. gentleman knows that not only is that the case, but we further reduced the taxation upon the people about two millions per annum, and that, although our tariff was only a 15 per cent. tariff, we

made, as I stated before, tea and coffee free. He knows, Sir, that instead of doing as he has done, instead of simply sitting down and taking things as they were, the course of the late Government was a course not only of prosperity, but of a condition of progress. He knows that the great North-West was brought into this country, that British Columbia was acquired, that Prince Edward Island was then made part of the Confederation. The hon. gentleman knows that he himself has stated in the most authentic manner that we had not only provided for all the necessary and incidental services of this country, but that we also had at the same time provided for the large, extraordinary additional and special outlays that took place at the same time; and yet the lowest taxes that were ever enjoyed by the people of Canada were enjoyed under the Administration of the gentlemen that he would fain lead the country to suppose were clamouring for high taxation. Now what is it that the hon. gentleman says? He says that, because our policy is a protective policy, we must neccessarily be in favour of high taxes. The hon. gentleman assumes that it is the tariff that imposes the taxation on the country. The hon. gentleman's whole speech, all his Budget speeches, every Budget speech I have heard him deliver in this House, would lead any person to suppose that he was not master of the very first principle of taxation with relation to the country. Why, the tariff does not impose taxation. The tariff collects taxation. What does impose it? The taxation is imposed by the debt of the country. The taxation is imposed for the purpose of maintaining the public credit. The hon. gentleman ought to know, I say, that the Customs tariff is adopted as a means of collecting the taxation imposed by the public debt in order that the public credit may be maintained. A means must be found by taxation to sustain the public credit and carry on the ordinary administration of public affairs. Now, I wish to be understood distinctly upon this point at the outset, for this is a fallacy that underlies all the observations that fall from the hon. the Minister of Finance upon this question. Taxation is already imposed by the debt. Customs duties are merely the best mode of collecting taxes because we hold that they may be so levied as to furnish industry the means through employment of paying its taxation. Where we differ is not in the amount—though we differ there, and this to the great disadvantage of hon. gentlemen—of taxation we require, but our great difference lies in the mode of obtaining it. The hon. gentleman says that the prosperity of the country cannot be obtained and promoted by Acts of Parliament. We deny it. We say that you may make the very taxation, necessary to sustain the public credit by meeting the interest on the public debt and discharging the ordinary administration of public affairs, a means of so fostering our industries as to give to the people the money that is required in order to pay the taxes. And we not only say that, Sir, but we say that you may thus not only give them the means of paying the taxation, but you may bring people into the country to assist in paying, and retain those who would otherwise be driven out of it. The people of the country can be benefitted by Acts of Parliament, for what you can undo by Act of Parliament you may do. If you can by Act of Parliament destroy the tea trade of this country and drive it to New York, and if by Act of Parliament you can crush out the sugar-refining industry of the country and drive the capital invested in that great enterprise to New York, I want to know if an Act of Parliament cannot also bring them back to Canada? When capital is driven away, the people of Canada go after that capital, and where employment is furnished them; and this is what the hon. gentleman's policy has resulted in. I am now going to trouble the House for a few moments while I state the grounds for the statement I have made, that hon. gentlemen opposite want more money for the public service, and require more money to pay the interest on the public debt and maintain the public credit, and for the ordinary administration of the public affairs by Government than we do. The year 1874, the year the hon. gentlemen opposite obtained power,

proved and demonstrated beyond question, and beyond the possibility of cavil, that they have not only been an unfortunate Government but also that they have been an extravagant Government, and that, while levying three and a-half millions of additional taxes on the people of this country, they have been more lavish in their expenditure of the public moneys of the country than the gentlemen who preceded them. Now, Sir, I will take the hon. gentleman in the first instance upon his own figures—upon his own statement in the Public Accounts, and I would like hon. gentlemen who have the Accounts before them to look at the nineteenth page, on which there is what purports to be a comparative statement of receipts and expenditures from the year 1867–68, and so on to 1876-77. I would like to draw the attention of the House to the fact that, by this statement made out by the hon. gentleman himself and laid before Parliament, he shows that, in the first year he and his colleagues were in power, they spent $396,755 more than we did in the largest expenditure he puts down to us. The hon. gentleman states here—although I shall question its accuracy—that our expenditure for the year 1873-4 was $23,316,316. I need not remind the House that we were not in power for the last eight months of that year, but, taking the hon. gentleman on his own statement, I say he admits on this page of the Public Accounts that this Government, coming into power at a time of depression—at a time when he found it necessary to levy three and a-half millions of additional taxation—instead of exercising the most rigid economy spent in the first year $396,755 more than the expenditure of 1873–4; that in 1875-6 they spent $1,132,056 more than we did; that in 1876–7 they spent $202,985 more than we did, and that in the three years they spent $1,731,796 more than the expenditure of 1873–4. Now, Sir, that is the hon. gentleman's own statement, but I challenge its accuracy, and I shall be obliged to show the hon. gentleman that, in order to reduce his own over-expenditure for the three years down to that point, he was obliged to force the Accounts. He was obliged to take money voted by Parliament for capital expenditure and charge it to revenue. He was obliged to bring into that account services which in a comparative statement ought not to be found there. This is a very important statement. It is made for the purpose of showing not only every member of the House of Commons, but every intelligent man in the country, how the revenue compares with the expenditure, and how the expenditure of one year compares with another, and, perhaps more important than all, to enable every man to make a fair and just comparison between the expenditure of one Government or party and another. I will show that the hon. gentleman has placed a most unfair and improper statement in the Public Accounts. In the first place, hon. gentlemen opposite were in power eight months out of the twelve of that year (1873–4), and everybody knows that a Government can force expenditure or crowd it even though they may have but three months to do it in, or they can pare it down and exhibit economy. What is the first item in this $23,316,316. I take exception to the item of $69,330 of Customs refunds of former years. I am not going to enter into the question at this moment as to whether it was right to make this expenditure or not, but I will say that the money was taken out of the Treasury to be given away to a great railway corporation at a time when it was most important to the Government to obtain its support at that moment. I am not going to deal with that question, but I make the charge that it should not appear in the comparative statement as it does, because it is not an expenditure of that year. The next item I object to is that of $2,389,679 for Public Works charged to revenue in which there is the sum of $545,625 which has no more right to be there than has the money voted and expended in the construction of the Welland Canal, and I will give the House briefly the ground upon which I make that statement. That is a charge for money voted by Parliament for capital expenditure—and not only was it voted by Parliament for capital expenditure, but it was returned by the Minister of Public

Works who sits by the hon. gentleman's side as having been expended on capital account. Mr. C. J. Bridges also says it was expended on capital account, and therefore I say it had no right to be put in the charge to revenue. I say that nothing can be more improper than to take a vote of money for one purpose—to be expended on capital—and then to put it to revenue account. If you do that, or if you take capital expenditure and place it to revenue charges, I say you can carry on the Government of this country for years without calling Parliament and Parliament has no control by its votes over the expenditure of the public money. Now, there is another item which might correctly appear in this account as an ordinary transaction but which must come out of it now. I refer to the $407,868 (see part ii. page 172 of the Public Accounts of 1874) expended on the Dawson route; and why do I take that out? The House will see that I am justified in doing so because the present Government took all that expenditure on the Red River road out of the expenditure chargeable to revenue and are charging every dollar of it at this moment to capital account under the head of Canadian Pacific Railway. I am dealing, as the House will understand, purely with the comparative statement, which professes to give the revenue account on one hand, and the expenditure chargeable to revenue on the other. But, Sir, I say that, in an honest, fair comparative statement, you must take these three items out of the revenue accounts of 1873-4 for the reason I have stated. But take the $1,021,823, which I have pointed out should not have been placed to the expenditure of 1873-4, and you have, as our largest expenditure, $22,294,493 in one year. That is the largest expenditure which, I claim, the hon. gentleman can charge us with in a comparative statement. The hon. gentleman may tell you that there was $121,000 in one year, and $134,000 in another on the boundary survey; but that was exceptional, and in a sense he would be warranted in taking it out. He will find charged to us, however, in 1873-4, $144,906 to military stores, and a blank from that day to this under the head of military stores Again, the hon. gentleman will not himself say that we are responsible for the extra Session, to which we came very unwillingly.

Mr. CARTWRIGHT: I do not know about admitting that you are not responsible.

Mr. TUPPER: We were quite satisfied with one Session, Mr. Speaker, as you know; and the hon. gentleman, therefore, will admit that, so far as that charge goes, it cannot fairly be put to us. The hon. gentleman also knows that, in the year 1873-4, we expended $283,163 on the Dominion lands survey. What was that? Why, it was to survey the whole Province of Manitoba, or a large portion of it. It was an extraordinary expenditure. I do not take it out, I do not take any of these items out of the account, but I draw the hon. gentleman's attention to them as balancing any possible thing that he can find, that he can take out of these accounts. Their expenditure this last year was $90,521 for that survey. Why? Because our expenditure for 1873-4 had rendered it unnecessary for them to go on and expend the same amount of money. We, therefore, spent $172,642 on the Dominion lands more than they did; or, in all, there is $517,548 on items which I still think in that account are exceptional items, and, on a strict comparison, ought to come out. I, therefore, trust that I have satisfied the hon gentleman that I have been extremely moderate, and have kept largely within the mark, when I take $1,021,823 out of that expenditure of 1873-4, and leave it at $22,294,493. Then I ask him to contrast his expenditure with that, and what will he find? He will find that his expenditure in 1874-5 was $1,417,678 more than ours. He will find that his expenditure in 1875-6 is $2,152,979 more than ours; and he will find that his expenditure in 1876-7, at a time when he was having deficit after deficit, is $1,223,908 more than ours, or nearly five millions in three years of expenditure made by this Government, over and above the largest average expenditure of our largest year—no less than $4,794,565. The hon. gentleman has undertaken to draw a distinction

between what he calls ordinary expenditure and expenditure that is beyond the control of Parliament. Let me ask him what he makes of these expenditures. I take the Customs as an illustration, to begin with, not only of extravagance on the part of the hon. gentleman, but I am afraid of something a little worse than extravagance. The hon. gentleman's expenditure for 1876-7 was $721,604; ours, for 1873-4, was $658,299, or $63,305 less. What was that increase for? Can any person tell me? It cannot be because the law requires it, as I have heard it said by uninformed persons in the country: "But did not the law increase these salaries, and are not they compelled to increase them?" I say no. I say that all over this country there is no law that requires them to increase the salaries of Customs officials and that it is a matter of choice. But there is another reason why this increase should not have taken place. What did we do before we went out of power? We made a large increase in the Customs Department, and we did it by authority; the money was placed at our disposal by Parliament, and we were instructed by Parliament to make a large increase in that Department, and we did it; but it was not large enough for these gentlemen. They must add, the very second year they were in power, no less than $62,000 to the expenditure that we had made in the Custom Department; and to prove that it does not arise from any necessity on the part of the law requiring the Government to increase the salaries, I turn to the fact that the difference between last year and this is only $1,000. They increased $62,000 the second year, and they increased $1,000 last year. I am happy to say that the gentle admonitions that we have ventured in a kindly spirit to give them from this side of the House, Session after Session, have at last had a certain amount of effect, and have limited their action in some degree. But what renders it perfectly inexcusable to make this addition in the Customs Departments, is the fact that in the year 1873-4 we collected $14,325,192. If they had had an enormous access to the revenue—a great addition to the revenue—they might have said the work was so great that they had to get additional assistance; but what is the fact? Why, the fact is that in the year 1876-7 the collections of the customs had cost this country $63,305 more than it did under our Administration, and they actually collected only $12,546,987, or $1,779,205 less than we collected. They have taxed the people of this country $63,000 more, and collected nearly two millions less. Gentleman may ask "How can this occur? how can you account for this great accession?" Well, there is a point in that that I want to ask this hon. gentleman to account for. I believe the revenue fell off in the port of Montreal in 1875-6 about one million—I am speaking from memory, and perhaps I am not exactly correct, but I know this, that there was an enormous decrease in the revenue of Montreal. Well, we increased the salaries in 1872-3 and 1873-4 from $87,000 to $95,000 in the port of Montreal, under the readjustment that I have mentioned, raising the salaries as instructed by Parliament, we added $8,000 to the salaries in Montreal in the year 1873-4. One would suppose that was enough, particularly when you take into consideration that, instead of having an increased business, there was an enormous decrease in the business. What did they do? The Public Accounts for 1875-6 show an increase from $95,000 to $117,000; or $21,000 increase in a port where there was a million less revenue to be collected. What was that for? Why, $18,000 of it was for extra hands. Now I ask the hon. gentleman to account to the people of this country for that. I ask them, if they are unwilling to lie under the charge, not only of being an extravagant, but a corrupt Government, to tell me why they wanted $18,000 for extra hands in the port of Montreal? What earthly reason could be given, except that there was an election, and it was very important that Mr. Thomas White should be kept out. I know no other reason. I can understand how $18,000 could be used most effectively in such a contest. I can understand perfectly well how you can take hold of A, B and C by the score, and take them out

of the ranks of the Opposition and silence them, or carry them over to the Government.

Mr. MILLS: Yes; you understand it perfectly.

Mr. TUPPER: I do. The hon. gentlemen opposite have given me too many illustrations; but it would be idle, after the developments that have taken place in the Courts, after the history and record that hon. gentlemen opposite have made for anyone to pretend to shut his eyes to the fact that money can be used, used enormously, and used most effectively in connection with such transactions as that. I gave the House the other night a little illustration of how it was done. Day by day, since I spoke the other night, Halifax men, who, the day the writ was issued, were hostile to the Government, but were afterwards found sitting on the platform side by side with the hon. member for Halifax, have since been promoted to high and important offices by the Government of Nova Scotia, in return for similar favours conferred, as I have shown, by the Government of Canada. The secret has transpired; and, more than that, at this moment men not only have been promoted, but other men go howling through the streets that they have not got the positions that were promised to them for going over to the enemy and changing their politics in that contest. I point to that as an evidence of the mode and the circumstances that have attended this large increase, this unaccountable increase in the Customs Department in the face of a heavily falling revenue. But, Sir, what more? The hon. gentleman has raised this question of the ordinary expenditure of the Government, and I think he will find that he has his answer. We find an increase in the Post-Office Department of 1876-7 over 1873-4 of $318,041. We find an increase in the Administration of Justice of $106,560. I may be told by those hon. gentlemen: "Ah! but that is your own Supreme Court Act." Why, Sir, I find that one of the few claims these gentlemen make, when they are hard driven to show what reforms they have accomplished, is: "Look at what we have accomplished for the country; look at the Supreme Court Act and see what we have accomplished." Sir, we discussed that matter leisurely; we considered it carefully; we deferred it, and the country could afford to wait for its accomplishment. What have the hon. gentlemen done? Have they placed the people of the country under any enormous obligations? All that they have accomplished is that they have placed the people of the country under an additional charge of over a hundred thousand dollars—

Mr. BLAKE: No, no.

Mr. TUPPER: How much of it?

Mr. BLAKE: But $50,000.

Mr. TUPPER: I will take $50,000; but I tell the hon. gentleman that I am correct in what I stated. If the account which I hold in my hand is correct, then the amount is $106,000 additional for the Administration of Justice. I can hear the hon. the Minister of Finance telling the hon. gentleman that I am correct. I trust that will satisfy the hon. member for South Bruce when I say the Administration of Justice has cost this extra amount. I may be wrong, and the hon. gentleman may be right. I presume he is right, as he has had so much to do with that Department, and it may be that the increase for the Supreme Court is only $50,000.

Mr. BLAKE: The hon. gentleman was saying that the Supreme Court was costing over $100,000.

Mr. TUPPER: I said that the Administration of Justice was increased by $106,000, and that one of the great claims in connection with that was the Supreme Court Bill. I did suppose that the expenditure on that was more than $50,000, and I am glad to be corrected. I may here remark, Sir, that we find that appeals are going still from the people to the Privy Council in England, and we find that the only effect of the provision placed in the Bill by this House that the Court should settle Provincial questions is that the Premier of Ontario has intimated that he intends to appeal against the judgment of the Court, and to take the liquor decision to the Judicial Committee of the Privy Council. I remark on that, that perhaps hon.

gentleman have not so much to plume themselves on as they would lead the country to imagine. Then, Sir, on Immigration and Quarantine there is an increase in the last year of $51,181 over our largest expenditure, and I need not call the attention of the House to the enormously disproportionate result of the expenditure which they have made. I need not point out to those who have looked at the return of the hon. the Minister of Agriculture and Immigration that some 7,000 people came up the St. Lawrence last year, instead of 37,000 in the last year that we held office. I am speaking from memory, but, at all events, there is an enormous disproportion in the results. What is the enormous expenditure for? What are hon. gentlemen making this enormous expenditure on the Immigration service for, when they are proclaiming to the world that there is not only not enough employment for the people in the country now, but, further, that, as far as they are concerned, people who want employment must go elsewhere to seek it? The hon. the Finance Minister says, in his declaration of principles, "The only thing we have to offer to the people of Canada to improve their position is greater frugality and hard work." Sir, the people are willing to be frugal and to work hard, but they ask for a policy from the Administration which does not compel them to expatriate themselves in order to get an opportunity of working hard. The hon. gentleman's policy is to send them to Boston, New York and Baltimore, the places which he has made the commercial capitals of Canada. The Government tell them "We are flies on the wheel, and are incapable of giving you that work which you desire." The people ask bread, and they give them a stone. Now, Sir, the next point I come to is the question of Pensions. The hon. gentleman has expended $56,078 more than we expended under that head. On Superannuation they have expended $40,384 more than we did, and the hon. gentleman must give me credit for this amount being $300 less than it might have been.

Mr. CARTWRIGHT: Certainly.

Mr. TUPPER: The House w remember that I was at issue on a question of fact with the hon. gentleman opposite.

Mr. CARTWRIGHT: Of law.

Mr. TUPPER: I said that, in order to get rid of an able and efficient officer, one as able and efficient as could be found in this country, the Government had given him $300 more than he was entitled to. The hon. gentleman made a sharp issue of fact—

Mr. CARTWRIGHT: Law; not fact.

Mr. TUPPER: Between himself and myself; but he has revised his judgment, he has corrected the advice of the Minister of the Crown who advised him in the matter, and has stripped away from one of the ablest and best public officers in the service of Canada, one who is as able to-day to perform his duties as any man in this country, and who is mentally and physically in the enjoyment of all his faculties, the sum of $300 of the amount which he had promised to pay him if he would give up his office to some hungry office-seeker; and that is the way he has retaliated on me for exposing the manner in which the Government were abusing the Superannuation Act in order to provide for their followers. Bad as it was to get rid of an able officer for that purpose, and to give him more than he was entitled to in order to induce him to make way for others, it was worse to break the pledged faith of the Crown, and to say to an old and valued public servant, "You shall not only be deprived of your office, but, after being deprived of your office, the Government of the day think it not beneath them to come back to you and say, We have been taught the law, and taught our duty by the hon. member for Cumberland, and we will strip you of $300 of the amount we pledged to you for the term of your natural life." They have not only so used or so abused the power of the Administration, the powers which they possess in this respect, but they are actually bringing in a Bill, or rather the Minister of Justice has already brought in a Bill, to prevent superannuated officers from being elected members of the House of Commons. No

age entitles a man to superannuation while the Government require his services, and wish to retain them, for the age placed in the Act is merely nominal, and thousands of the most intelligent and most intellectual men in the country are sixty years of age; but the Government have so abused the power which was placed in their hands for the sole purpose of providing for the efficiency of the public service, and not for the purpose of providing places for their own followers, that they are actually bringing in a Bill to prevent the electors of Canada from electing the men they have pensioned for life.

Mr. BOWELL: That is what they call the Independence of Parliament.

Mr. TUPPER: Sir, the Bill was necessary, for, without it, next Session they would have had to face men who, in the full vigour and prime of their manhood, have been pensioned, and would have had to give an account, if indeed they should then be in a position to be held accountable any longer, for the acts which have been done. The increase in 1876-7, as compared with 1873-4, in Ocean, River, and Steam Service, was $54,635, and in Arts and Agriculture, etc., $46,676. Yet the Minister of Finance ventured to assert that they had reduced the ordinary expenditure of the country two million dollars per annum. I have shown that they have increased the expenditure of the country nearly five million dollars in three years over our largest expenditure. I trust I have satisfied the House that it is not a question of high or low taxation, any further than th s, that, inasmuch as we governed the country with a small taxation, and inasmuch as we are prepared to govern the country again without those extravagant expenditures made by the present Government since they have been entrusted with power, all we ask is, not that the taxation of the people shall be increased, because we do not require so much money as the hon. gentlemen opposite, as we have shown by our economy in the past, and which we are prepared to practice in the future; but that th emoney shall be levied in such a way as to furnish employment for the people and provide the means of paying the taxation that is levied upon them. What we ask is, not the increase of taxation, but a readjustment of taxation. Let me give the Minister of Finance an indication; let me take the question of the sugar duties—a question which I am astonished to find he has made no reference to in the course of his address, especially after what took place a few evenings ago. After the strong antagonism brought to light as existing between the members of the Administration on that question, I had thought the hon. the Finance Minister would have found it necessary to give some reason why his colleague, who had declared that this was one of the most vital and important questions, should be placed in the position of going back to his constituents and telling them: "You are sold; your Independent representative, who fought your battle a year ago on the floor of Parliament, has deceived you, and sits with his mouth closed while the Finance Minister of Canada says he has nothing to propose by which the sugar refining industry and West Indian commerce of the country will be in any degree promoted." I hold in my hand a speech made on the 9th March last by the hon. the Minister of Militia, in which he says:

> "If the Government had applied that principle to sugar he would not have complained, but the principle applied to the manufacturers had been refused to the sugar refiners. The sugar interest demanded some consideration, because if some legislation did not speedily take place, he was afraid we were going to lose a large trade with the West Indies. That trade in the Maritime Provinces at the present moment involved from three to four million dollars a year, but the inevitable result of the present policy would be to drive the whole trade to the United States. We sent our vessels with outward cargoes, which we sold in the West Indies, and they were obliged to take the sugar to the United States to have it refined. Cargoes of sugar passed through the Boston refineries, and in twenty-four and thirty-six hours were imported into Canada again under a bounty of fifty per cent. Such a system could not continue very long. In a short time, when the Americans found out that they had destroyed our trade, they would dictate their own terms and then it would be seen how disastrous the present policy was."

Does the hon. the Finance Minister wish to present one of his colleagues

to the people as a person prepared to sustain, on a great question of that kind, a disastrous policy? Does the hon. gentleman think that it would not be possible, by lowering the duties on sugar, to build up a great sugar-refining industry in this country with a great West Indian trade, increased shipping, and the development of the fisheries of the country? The Finance Minister in his answer to the people of Fergus, where he delivered an address, declared that the Government did not believe in promoting the prosperity of the country by Acts of Parliament; but his colleague tells him that they are destroying the commerce of this country for want of an Act of Parliament. I leave these hon. gentlemen to settle this question between themselves and justify themselves to the people of the country, if they can, for not so readjusting the sugar duties as to build up a great industry in Canada at a time when the country is suffering for want of employment, and the mass of the people are ready to take any wages if they can obtain work. The hon. the Minister of Finance leaves the tariff untouched by such legislation as would build up the commerce of the country, promote its prosperity, and increase its revenue; and does that when his own colleague expresses the distinct opinion that the sugar trade is one of the most important branches of trade to which Canada can look. One hundred and ten million pounds of sugar were consumed by Canada last year. Not only would the imports from the West Indies and refining of that commodity afford enormous employment, but in all its ramifications, it would be difficult to over-estimate the impulse given to commerce simply by a re-adjustment of the sugar tariff. The amount of sugar imported from the United States and Great Britain alone would consume thirty-two thousand tons of coal in the process of refining; and yet, with the West Indian trade dying, as the hon. gentleman's colleague has told him, and being carried away from Halifax to Boston and New York, the Finance Minister states that the Government of Canada is powerless to do anything to increase the prosperity of the country or benefit it in that respect. Does the hon. gentleman not know that it would afford an additional stimulant to the coal mining interests? Two objects would be obtained by such a policy, not only would we create a great sugar refining industry, which would employ a large amount of capital which has hitherto been invested ruinously, but a stimulant would be given to the coal mining interest. The Minister of the Interior quoted Sir A. T. Galt as an authority a few minutes ago. Let me refer to the position of Sir A. T. Galt, whom the hon gentlemen on the Treasury benches have held up to the people of Canada as the most able public man to be found in the Dominion. Let me draw attention to the fact that Sir A. T. Galt, a short time ago, while holding a high position on the Fishery Arbitration for which they had nominated him—and it must have been very painful for him to come into collision with their policy at the time he was holding that position—was called upon by the citizens of Toronto to give an address on the public questions of the day; and he then stated that there was no question of more vital importance to the people people of Canada than the question of sugar refining. He said: "It is the most important question, because, on that question—the sugar refining industry—will be fought out the whole fiscal policy of Canada." That was the language of a gentleman who, as I say, is Independent, and not connected with either political party, and it is given to the people of this country as the result of a long period of public service and a long period of attention by one of the finest and ablest minds in this country. Why, Sir, the hon. gentleman ought to know that a re-adjustment of the tariff does not always involve, even for revenue purposes, increased taxation. The hon. gentleman ought to know that Sir Robert Peel reduced the duties on sugar £10 per ton, and largely increased the revenue. Why? Because it is not only a necessary of life, but one of those articles that will be used by the people just to the extent you reduce its cost, and give them the opportunity of

increasing its consumption. So that, if the hon. gentleman were to adopt the policy I urge upon him of not increasing the duties upon fine sugar, but of making such reduction of the duty upon raw sugars used for refining purposes as would enable that great industry to be brought into play, he would find—as stated in the letter I read the other night, which was written by the Minister of Militia to Sir Francis Hincks, in which he told him, or pointed it out to him, in the clearest and most succinct manner—that he might easily lower the duties on raw sugar, because the effect would be such as to secure an increased consumption that would make most ample compensation to the revenue. But those gentlemen, those "flies on the wheel," compose themselves and look with indifference upon a suffering country, and say they have nothing to propose, keeping matters in a state which obliges and compels them to come down here and present the most deplorable statement as to the financial condition of the country it has ever been the duty of any Finance Minister of Canada to present. The hon. genman ought to know that this one industry would expend in this country something like a million of dollars, in the amount of money that would be paid out in connection with carrying it on. I ask him if that could be done without conferring a great indirect benefit upon the revenue of Canada? It is perfectly obvious that a policy of that kind would be eminently in the interests ot the whole of the people of this country, and of the revenue of this country. But, Sir, the hon. gentleman's answer to all this is what he gave in this collection of speeches. Suppose, he said, the Opposition had their policy; suppose this was carried out, and all the stimulus that they could have were given to Canadian industries and interests; all that it would accomplish, he said, would be to provide for 25,000 persons, and they not fully grown men, but factory hands generally. Now, Sir, this is just another of the fatal mistakes that the hon. gentleman makes in connection with our policy. He supposes there is no benefit to Canada and the country, and no benefit to the revenue, to accrue from this policy, except what will apply just to the mere number of persons engaged in that industry. Does the hon. gentleman not know that it is estimated that at this moment there are only 50,000 persons directly engaged in the cotton trade of Great Britain, and does the hon. gentleman not know that it is perfectly well understood that four millions of people in Great Britain depend upon that cotton industry for the bread they eat, that four millions of the people of Great Britain are dependent for their living to-day upon an industry that only gives direct employment to 50,000 hands? Well, Sir, apply that rule to this case—if the employment of 50,000 people will give bread to four millions of people, I want to know if an industry that will give employment to an additional 25,000 persons would not in the same ratio support a population equal to one-half the population of Canada. Then take the coal industry of this country. I ask the hon. gentleman, when he sees a great industry like the coal trade of Nova Scotia, in which $12,000,000 or $14,000,000 of capital have been sunk—sunk, lost and destroyed for ever, unless it is made a profitable industry—I ask him how he can stand with folded hands and look on indifferently upon a policy that leaves $12,000,000 of capital, with the amount of employment it could give to hundreds and thousands of our people, and the wealth and prosperity it could diffuse over a large section of this country; I ask him how he could do that and refuse the prayer of the coal owners of Nova Scotia and gentlemen who sympathised with them, that 50c. per ton of duty should be levied upon coal coming into this country? This would give a great impetus to that industry and be of a great advantage. The hon. gentleman shakes his head, but that is the case. The hon. gentlemen have stated in another place that, when I speak in Ontario I never have, a word to say about the duty on coal, and that, when I speak in the Lower Provinces, I never have a word to say about duties on flour. Now, I challenge those gentlemen to find any speech I delivered, any single speech I delivered in the Lower Provinces, in which I

have not advocated a duty on flour when advocating at the same time a duty on coal, and *vice versâ.* I may have made some flowery speeches, Sir——

Mr. DYMOND: I would like to ask the hon. gentleman a question. If he advocated a duty on flour in Nova Scotia, I never knew about it; and I have read his speeches, and I have never discovered a line about coal in those he delivered during the pic-nic campaign in Ontario.

Mr. TUPPER: The hon. gentleman knows I did not require to deal with this question of coal. The hon. gentleman knows that, here in Ontario, that, here in the Parliament of the country, that, here in the face of the whole people of the country, I have defined in the clearest and most emphatic manner my views and principles on that question, and the opinions I entertain and the policy I hold, year after year for ten long years, and this naturally has rendered it quite unnecessary for me to say in Ontario or in any portion of this wide Dominion, that I am advocating a duty on those articles. And the hon. gentleman knows that, in the great organ of public opinion with which he is connected, he has himself ample means of diffusing my sentiments on that question all over the Province of Ontario; and it would be paying a poor compliment, Sir, to that organ to suppose that any person, that any intelligent man in Ontario, does not know perfectly well what my sentiments are on that subject.

Mr. DYMOND: I would merely remark to the hon. gentleman that, on the principle the hon. member has laid down, whenever he advocates anything in this House, it is wholly unnecessary for him to advocate it in Ontario. I am rather glad to hear it.

Mr. TUPPER: Well, Sir, I would like the hon. gentleman to show me a speech in which I have ever dealt with this subject in the Maritime Provinces and have not dealt with the duty on flour. He says he does not know it, but he should have known it; and the hon. gentleman opposite, before he made this statement, ought to have known this, that, instead of having concealed my views with reference to the duty on flour, I went down to the floor of the Assembly of Nova Scotia, when I was leader of the Government of that Province, and proposed a duty on flour, and put it on the Statute-book of the country. And, when we came into Confederation, we came into it with a duty of fifty cents a barrel, I think it was; at all events, a duty on flour imposed by the Legislature of Nova Scotia. Why did I do it, Sir? I did it for this reason. I had gone on my knees, figuratively speaking, to the United States; Nova Scotia had used all the powers she possessed, along with the other British American Provinces, to prevent the repeal of the Reciprocity Treaty; and when they did it I had only one policy to pursue. I told the people of Nova Scotia that, if we wished to get the treaty again, we had to put ourselves in the position we were in when we obtained it before. And I say that that is the true policy now for Canada. I asked them to tax the articles coming from the United States, and that was at a time when we could not get flour from Ontario, as now, free from duty, and when we were entirely dependent upon the United States for all our flour. The Province was asked to impose a duty on flour, and they did it, and it was on the Statute-book when we came into Confederation. Sir, I say if we want to revive the Treaty of 1854, under which both countries prospered, there is only one way of getting it, and that is by putting ourselves in the position we were in when we obtained it and not by going into negotiations, as the Hon. George Brown went into them, asking for concessions from the United States; and, when asked if he had anything to give in return, saying that we had already given all we had to give. They, of course, said: "Good morning to you. If we have it all our own way now, we will let matters stand as they are." I had the pleasure of meeting one of the most eminent men on the Fishery Commission from the United States at Sir A. T. Galt's dinner table and he asked me what the party lines were in Canada. I said: "The policy of the party with which I am connected is to endeavour to foster Canadian industries by such a readjustment of the tariff as will give them increased protection." "Ah!" he said,

"you and I could not agree, then, for I am an out-and-out Free-trader." I said: "I am not certain that we would not agree;" and I asked him "What would you do if you were living in Canada, and if you knew that nature had provided in the coal fields of Nova Scotia the means of providing Boston New York and the United States with coal at the cheapest rate, with and the same advantage for Ontario; would you allow the mining industry of your own country to be destroyed by seventy five cents duty on coal going out of Canada into the United States, and would you be willing that Canada should receive 600,000 tons of American coal without charging a cent for duty?" "No," he said, "I would not." He said: "Free-trader as I am, I would meet the duty of the United States with precisely the same duty as they imposed upon me. There is no one in the United States more anxious to see you do it than the people of the Atlantic States, and I will tell you why. All you have to do is to pursue the common-sense plan of meeting the American as he does you, and put the duty on his coal: the duty will be taken off, and coal be supplied cheaper on both sides." I give that to hon. gentlemen, and I ask if it does not appeal to every man as common sense. With such a lever as we have, what is it that keeps the duty of seventy-five cents on coal? It is the coal mining monopoly of Pennsylvania, and the moment you meet them in Ontario with a duty, as they meet you in Boston and New York, they will be only too glad to use the power they now use to keep it on, to take it off.

Mr. MILLS: Why could not the hon. gentleman apply this rule to the tax on coal oil?

Mr. TUPPER: I am glad the hon. gentleman has mentioned coal oil; and I put it to the Minister of Finance, how can he deny to the suffering miner of Nova Scotia a duty of 17½ per cent. on coal—which is all he asks—and compel every Nova Scotian to pay 33⅓ per cent. of protection for the Ontario industry of petroleum?

An Hon. MEMBER: Fifty or sixty per cent.

Mr. TUPPER: An hon. member says fifty or sixty per cent.; but I will put it at the very lowest rate, and no one can say that there is not a duty of 33⅓ per cent. The coal miners of Nova Scotia believe that a duty of fifty cents a ton will send their coal to Hamilton. Does the hon. gentleman not know that a large contract for coal was called for at Belleville not long ago, and that the Nova Scotia dealers were only thirty-five cents above the United States, and, if the duty had been imposed, they would have obtained the contract. What is the use of crushing out our coal industry? There are no persons more interested in having it maintained than the people of Ontario. Destroy it? Let all the twelve millions that has been invested in it be lost, and Ontario will be at the mercy of the United States, and they will charge us for their coal what they please. But I want to know, as a pure question of revenue, can the hon. gentleman give this House any reason why he should put a duty on light that he does not put on fuel? Is light any more a necessary of life than fuel, or is fuel any more a necessary of life than light? If you ask the poor man in Nova Scotia to pay for a protection to the Ontario industry of coal oil of 33⅓ per cent., how can you refuse a protection of 17½ per cent. to the suffering coal mining industry of Nova Scotia? I maintain it would displace the coal from the United States. One of the leading coal dealers we had before the Committee proved that he imported ten cargoes of Nova Scotia coal into Ontario, and he got fifty cents per ton higher for it than was obtained for United States coal, because it was so much better, and not only so, but any quantity could have been sold. That was done, I think, at the time we had a fifty cents a ton duty on it.

Mr. DYMOND: It was a year before it, 1869.

Mr. TUPPER: The hon. gentleman says it was a year before. Perhaps it was, and, if so, it makes the case still stronger. And the reason it was done was this: Steamers were employed to carry flour down and coal up, and it was the fact of having return cargoes

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that accomplished the work. Now, I say, if you want to knit this whole country together from end to end, you must knit it together commercially. You must make every man feel, not that he is a Nova Scotian, not that he is of Quebec, but that he is a Canadian, and that he is interested in the development of Canadian industries and Canadian enterprises wherever they may be found. I am told, and I am glad to learn it, that in the Province of New Brunswick a valuable anthracite mine has been discovered, and I trust that, if that is the case, I shall very soon have the assistance of the hon. members from that Province in the great measure I am now pressing upon the attention of the House. But, if no American coal was displaced, if you placed a fifty cent duty on coal you would get $300,000 of revenue, and that would take off $300,000 taxation from other articles.

Mr. MILLS: From whom?

Mr. TUPPER: From the consumers; just as you got it off the consumers of coal oil in the Lower Provinces exactly. If we are to say that one Province in this country is to legislate for its own interest exclusively, without regard to all the rest, then avow such a policy, and it would be consistent enough for some hon. gentlemen to avow that policy, and carry it out; but it is a policy that will not commend itself to the honest, independent intelligence of the fair-minded Canadian, let him be found where he may. I say, therefore, that, as a pure question of revenue, the hon. gentleman can give no satisfactory reason to the people of this country for protecting coal oil and not protecting coal. The hon. gentleman can draw no distinction, except the distinction that one is the industry of a weaker Province, that has not, perhaps, he thinks, quite as much strength to enforce its claims as that of the larger Province from which he comes. We are told, also, that the farmers are hostile; we are told that the agricultural interest of the country has no interest in this protective policy. I think they have a great interest. About as great an authority as, perhaps, ever existed in relation to Free-trade, was Mr. Cobden, the great author of Free-trade in England. What does he say upon this subject? In his speech in the House of Commons, on the 12th March, 1844, Mr. Cobden said: "The farmer's interest is that of the whole community, and is not a partial interest."

Mr. MILLS: Hear, hear.

Mr. TUPPER: "And you cannot touch him more sensitively than when you injure the manufacturers, his customers." Now, Sir, I give that to the hon. gentleman as, perhaps, about as high an authority as can be adduced. Every person knows that a large portion of our agricultural production can only be consumed in our home market; that, as there is a large amount of the produce of the farm that can only find profitable consumption in home consumption, that is not susceptible of being sent abroad without very great injury, it will be at once seen, what every farmer in this country appreciates, that the greatest value that his farm can receive is the building up of a manufacturing industry in his neighbourhood by which he will have a home market, and have a sale for the products of the farm, without being put to a great cost in their transport. Then, every person knows perfectly well that every pound, every bushel of grain that comes out of the United States into this country for consumption displaces a pound or a bushel of Canadian grain, and compels our farmer, instead of finding a home market for his crop, to export it. Every pound or bushel that is consumed in Ontario of corn or grain that comes from the United States displaces that much of our own consumption, and compels the Canadian farmer to seek, at greater cost and difficulty of transport, three thousand miles away, his market that otherwise he would find at home. What we want is as free a trade as the United States chooses in relation to these matters.

Mr. MILLS: I would like to ask the hon. gentleman a question. The hon. gentleman said, a short time ago, that he was in favour of Reciprocity. I would like to know, if we had Reciprocity, what would be the condition of the farmer under these circumstances?

Mr. TUPPER: Well, Sir, all that I can say is, that the hon. gentleman shows a very limited knowledge of the whole question. What the Canadian farmer asks is a fair field and no favour. He asks that, if his bushel of barley is met on the frontier of the United States with a duty of fifteen cents a bushel, the corn that comes out of the United States into Canada shall not come in free. He asks that the storehouses of the distilleries shall not be crowded with American corn, brought in to displace the products of the soil of Canada. I am not much acquainted with whiskey, but I believe that with a great many people old rye is a favorite beverage quite equal to whiskey made from corn. I believe that there is a very large portion of this country that is not well adapted for anything else, that is admirably adapted for the growth of rye; and I want to know whether it would not be better to clear up the land and grow rye upon it, than bring American corn for the manufacture of whiskey into the country free of duty? I think the hon. gentleman will find that, asfar as the agriculturists are concerned, they understand this perfectly well. They would be quite satisfied with a Reciprocity Treaty that would give them free access to the markets of the United States for their products, but they are not believers in one-sided Free-trade. But I want to deal with one of the objections of the Minister of the Interior in one of his oracular enunciations on this question in Ontario. He stated to his countrymen that one of the great difficulties in this matter was that it would prevent an enormous trade in grain from coming from the United States through Canada, and he showed that that was worth half a million per annum. Well, I do not know whether he understands it better than those that are in the trade, but those who are in trade say that, if he had said it was worth $50,000 or $60,000, he would have been a good deal nearer the mark, as to anything that any Canadian can levy upon that trade, as it is *in transitu*. But I am happy to relieve his mind. The men best acquainted with the whole of the question, men whose business it is to carry on that very trade, say that he is entirely mistaken.

Mr. MILLS: No.

Mr. TUPPER: No? Did not Mr. W. H. Howland, the President of the Manufacturers' Association, one of the great grain merchants of this country, treat with the most profound contempt and ridicule the argument of the hon. gentleman? Did he not point out that he had entirely lost sight of the first principle that applied to the trade, and did he not point out that of the trade carried on by himself; that, although they preferred the St. Lawrence, more than half of it goes through the United States, and goes through in bond, and that there is not the slightest difficulty in the business whatever? I merely throw that out to answer one of these objections that appear to have something in them when first placed before people who do not understand the question; but, when examined in the light of intelligence and information, dissipate and fade away, as do all the objections that the hon. gentleman raises to all these matters. Now, there is another reason why we should have a different tariff with the United States. I have said before that, as far as England is concerned, while we are most anxious to preserve her institutions and adopt her policy, as far as they are adapted to our own country, we feel as Canadians that we must look at the position in which we stand in relation to the fiscal policy of the great country alongside of us. We cannot lose sight of the fact that the protection that any tariff gives us against the manufacturers of Great Britain fails in its application to the United States, because the cost of transport is so much less from the United States than from Great Britain, and it is found insufficient. But let me draw the attention of these loyal gentlemen who want England to be considered, and England's policy to be maintained, to the startling figures to which I drew the attention of the House last year, and to the equally startling figures that the trade returns laid upon the table of the House by the Government show at present in relation to the matter. What do they say? Why, they show that in 1873 the imports from Great Britain were $68,000,000,—I will only use the millions, and leave out the hundreds of thousands and thousands—

while our imports from Great Britain in 1873 were $68,000,000, they have fallen in 1877 to $39,000,000, a decrease of $27,000,000. Now, let us apply that test to the United States, and see where we are. While the imports from the United States in 1873 were $47,000,000, in 1877 they were $51,000,000—a decrease from England of $27,000,000, and an increase from the United States of $4,000,000. I think that ought to show from where the trade of Canada is coming. Well, Sir, take 1873, and you will find that we received in that year $20,000,000 less from the United States than from Great Britain, and that in 1877 we received $11,000,000 more from the United States than from Great Britain.

Mr. MILLS: Why?

Mr. TUPPER: I have already explained to the hon. gentleman that it is because the policy of this Government is an American policy. It is because it is inspired by men who could not work more zealously for the interests of the United States if they owed their allegiance to them instead of to their own country. Look at the exports, and you find that the exports to Great Britain in 1873 were $38,000,000, and in 1877, $41,000,000. The country from which we are withdrawing all our trade still receives, with open arms, all we have to offer; while the United States, on the other hand, received $42,000,000 of our exports in 1873, and only $25,000,000 in 1877. What is the meaning of this? It is that, owing to the proximity of the United States to us, they are able to paralyze our industries with their fiscal policy. They are enabled to send to this country their surplus products, so that, when their own market is glutted, they make a slaughter market of Canada, and they are sufficiently near us to be able to paralyze our own industries. And, not only do they make Canada a slaughter market, but there is an hon. gentleman behind me who can say—

Mr. MILLS: The hon. member for West Toronto (Mr. Robinson) told us a few evenings ago—

Mr. TUPPER: I wish the hon. gentleman would keep still until I get through. It only protracts the time I regret to have to occupy, when I am interrupted.

Mr. SPEAKER: If the hon. gentleman objects, the interruptions must cease.

Mr. TUPPER: I do not generally object to interruptions, but when an hon. gentleman persistently interrupts me—when he interrupts me for the purpose of breaking into a sentence, of breaking in upon a train of thought which is in my mind at the time—I do object. This country, Sir, is not only made a slaughter market for the United States, but it is the deliberate, settled policy of the United States to break down the trade and manufactures of this country. The United States Consul at Toronto, in his report to his Government, says: "We have got nearly all the trade of Canada, and we can get it all." There is an hon. gentleman behind me, who is in the iron trade He found that he could get from an establishment in Oshawa the supply that he wanted, and he wrote to the parties in the United States, with whom he had been in the habit of dealing, that he could get it at a lower price than he could get it from them. They wrote back that they were very sorry he had not informed them before, for, if they had known it, they would have supplied him at a still lower rate. They would have delivered it, duty and freight free, at less than he could get it in Canada. This meant just the same as the action which was taken in relation to salt. On that article, while they maintained their prices in the United States, they were determined that no Canadian salt interest should prosper. They would rather sell salt for nothing. Manufacturers in the United States have come and offered manufacturers in this country large bonuses not to carry on their manufactories, and, when they refused to accept them, they put down the prices so low as to destroy the industry. Every one knows how keen the Americans are in adopting every possible means to shut out Canadian industries. Everyone knows that a great industry in canning lobsters has grown up in Nova Scotia and New Brunswick. How do the Americans

meet us? With as cheap labour here as in the United States, we could compete with them in their own markets without any difficulty, under a fair and equitable tariff. In violation of the spirit of the Washington Treaty, if not of its express letter, they first imposed a duty of 18c. per dozen on the cans, and, finding that it was not enough to paralyze the Canadian industry, they are now proposing to tax the lobsters themselves 35c. per dozen cans, on the ground that they are not embraced in the treaty. When you have a great country with forty millions of people, giving their attention to everything that bears on the industrial progress of their own people, it behoves the Canadian Government to become equally alive to the necessity of protecting the industries of Canada against unfair competition. But we are told there is another fatal objection to this policy: "It will cause high prices; you cannot give protection without making the people pay for it." That is not correct either. Let me give an illustration: Under a protective tariff brought in by Sir Alex. Galt to protect boots and shoes, machinery for the manufacture of boots and shoes was brought into the city of of Montreal; everyone knows that at that time the prices of boots and shoes were very high, that the effect of that protective tariff was to establish boot and shoe manufactories throughout Canada, and the result of it was that boots and shoes have been cheaper from that day to this than they could be obtained in the United States or in Canada before the protective tariff was enacted. Protection brings in capital which will go where industries are fostered, and where capital goes competition will follow, and where that comes skill will be developed, and increased skill and increased competition reduce prices. What is the reason why England is now practically shut out of the markets of France, Germany and the States? It is that under a protective tariff England introduced such an amount of capital into her manufactures and developed so much skill as to reduce the cost to the very lowest point; but under a protective tariff in those other countries, the same skill and capital have been brought to bear, and the result has been a fall in prices. Although the United States was one of the most highly protected countries in the world, it will be found that under that policy they have not only become a great manufacturing people, but, as competition and skill advanced, they were able to compete with England in her own favourite industry—that of iron. As I have stated, within a comparatively few years, the export of iron from Great Britain has fallen from $180,000,000 to $100,000,000. Why? Notwithstanding all the difficulties the United States has experienced, its protective policy has made it to-day one of the cheapest countries from which iron can be obtained. That is the result. If, therefore, the effect of fostering industries is to bring capital into the country as well as labour, and to develop skill and competition which will invariably bring down prices, the objection urged against Protection cannot be sustained. The truth is that we have but one policy to adopt in this country. The hon. the Minister of Finance says that the one thing he looks forward to is an increase in the population. Where is that increase to come from? If employment cannot be found for the people in the country because our manufactures and industries are monopolized by the Americans, there is no hope of an increase in the population in the older and settled districts, except from slow and natural causes. The policy the Government has pursued has had the effect of depopulating the country. It has sent away the most skilled and intelligent labour, the finest sons of Canada, to a foreign country to obtain employment their own country denies them. That is a fatal policy, and one which must induce us to forego all our aspirations for anything like a rapidly increased greatness for this country in the future, and to consent to become hewers of wood and drawers of water for our friends across the line in the great Republic of the United States. Canada has everything that a country can desire to make it a great manufacturing country. We have iron, coal and limestone. Ours is, perhaps, the richest country for minerals to be found on the face of the globe. We

have open harbours; rapid transit and communication through a great portion of the Dominion; and, away in the Far West, mines of gold and silver that, in in my opinion, are going to excel any on the American continent. All we require is a policy calculated to open up and develop our great natural resources, in order to make Canada all that the noblest aspirations of the most patriotic Canadian has ever supposed for a moment practicable. We are told that the United States presents an unhappy spectacle. The hon. the Minister of Finance, notwithstanding he had a deficit of $1,901,000, followed by a deficit of $1,361,000, and that to be followed at no distant day by another large deficit--with all those facts staring him in the face, he was so utterly indifferent to the necessities of Canada, that, after bestowing a few words on that trifling and comparatively insignificant matter that is before the House for its consideration, he wanders away to the municipality of New York to instruct the people of the United States respecting their municipal institutions. I think the hon. gentleman in the present hour of his country's necessities might find nearer home something that was worthy of his attention, and sufficient to tax all the ability he or his colleagues possess, in order to endeavour to extricate Canada from the deplorable condition into which they have brought her. The hon. gentleman, when speaking about the United States, is talking in the face of historical facts that cannot be controverted. He knew that their protective policy enabled the United States, not only by one gigantic stride to spring into the first rank of manufacturing nations, but in regard to its financial position everything has taken place that could be desired. He knew that, instead of running up a debt with the deficits of the country, they have reduced their gigantic debt to an enormous extent within the last seven or eight years. He knew that they not only reduced their debt but at the same time largely reduced the taxation on their people. Not only did they reduce the debt and taxation, but by their protective policy they have rendered themselves comparatively independent of Great Britain and foreign countries, and have turned the balance of trade from being over $100,000,000 against them to being to-day over $100,000,000 in their favour. Yet the Minister of Finance wanders away from the necessities of Canada in this, one of the direst and most gloomy hours of her history, to discourse to us about the miserable condition in which the United States is to be found. Hon. gentlemen opposite said: "You cannot meet the difficulty; your position is a peculiar one; the people of Canada cannot choose their fiscal policy. There is a power above and beyond us which controls our action, and, if we wanted to-day to have a different tariff with the United States and Great Britain, it would be refused." I join issue with the hon. gentleman, and say the time has come when I believe it is not only the duty of Canada to have a Canadian policy, but I believe they will meet with no difficulty whatever in carrying out a Canadian policy. Have we not had differential duties? I would like to know what the tea duty was, if it was not differential, if it did not operate on tea coming from the United States very differently from what it did on the tea that came from England? I want to know, when the National Policy was carried in the House, whether we had not a differential tariff, and if he looks in the Statute-book he will find that, when we proposed to have a duty on salt, we exempted in the act, we specifically exempted all salt coming from Great Britain and all British possessions anywhere. The hon. gentleman will find that policy has been fairly conceded as far as the Imperial Government was concerned; but there is a mode of meeting the question, which I am satisfied would avoid any difficulty whatever. The hon. gentleman shakes his head, but I will give for it as high an authority as he. Sir A. T. Galt, in the speech to what I have referred, pointed out that it was not only the duty of this country to protect Canada against unfair competition on the part of the United States of America, but he pointed out—and he expressed himself as having entertained no doubt about it, and he is certainly as well qualified to express such an opinion as any man in this country whatever—that there

would not be the slightest objection on the part of the Imperial Government to have the policy adopted. I say that this policy could be adopted—a revenue policy or such a policy with relation to goods coming from Great Britain or from British possessions as the necessities and the fiscal policy of Canada indicated, and another tariff for all the rest of the world. That would apply only to the United States practically, because our imports from other portions of the world are almost uniformly articles upon which there are specific and not *ad valorem* duties, and we could adjust that in the interests of Canada as we pleased. I have no doubt that this would meet the only serious difficulty represented by the hon. gentleman opposite as standing in the way of a true Canadian policy, and one that those who wish to see Canadian enterprise and Canadian industries flourish, feel it is time that the country should grapple with earnestly and deal with as I have mentioned. I shall now conclude my observations by thanking the House very much for giving me this opportunity of meeting the challenge thrown down by the hon. the Minister of Finance, and of broadly stating our policy, the policy on which we are proud to stand in the presence of the free and intelligent people of this country; and to that people I can assure the hon. gentleman we shall be most happy to submit the arbitrament of this great question, and bow to their decision with all the humility to which the will of the sovereign people of this country is entitled.

Tuesday, March 12th, 1878.

The House resumed the adjourned debate on Mr. Cartwright's proposed motion:—

"That Mr. Speaker do now leave the Chair, for the House to go again into Committee of Supply."

And the motion of Sir John A. Macdonald in amendment thereto, that all the words after the word "that" be left out, and the following inserted instead thereof:

"It be resolved, that this House is of opinion that the welfare of Canada requires the adoption of a National Policy, which by a judicious readjustment of the Tariff will benefit and foster the Agricultural, the Mining, the Manufacturing and other interests of the Dominion; that such a Policy will retain in Canada thousands of our fellow countrymen, now obliged to expatriate themselves in search of the employment denied them at home, will restore prosperity to our struggling industries, now so sadly depressed, will prevent Canada from being made a sacrifice market, will encourage and develope an active interprovincial trade, and moving (as it ought to do) in the direction of a reciprocity of Tariffs with our neighbours, so far as the varied interests of Canada may demand, will greatly tend to procure for this Country eventually a reciprocity of Trade."

And the question being put on the said proposed amendment,—it was negatived on the following division:—

YEAS:

Messieurs

Baby,
Benoit,
Blanchet,
Bolduc,
Bourbeau,
Bowell,
Brooks,
Brown,
Cameron,
Caron,
Cimon
Colby,
Costigan,
Coupal,
Currier,
Cuthbert,
Daoust,
DeCosmos,
Desjardins,
Dewdney
Domville,
Donahue,
Dugas,
Farrow,
Ferguson,
Flesher,
Fraser,
Gibbs (Ontario North),
Gibbs (Ontario South),
Gill,
Haggart,
Harwood,
Hurteau,
Jones (Leeds),
Kirkpatrick,
Langevin,
Lanthier,
Little,
Macdonald (Cornwall),
Macdonald (Kingston),
McDonald (Cape Bre'n)
McDougall (Three Ri's),
McKay (Colchester),
Macmillan,
McCallum,
McCarthy,
McQuade,
Masson,
Methot,
Monteith,
Montplaisir,
Mousseau,
Orton,
Ouimet,
Palmer,
Pinsonneault,
Platt,
Plumb,
Pope (Compton),
Pope (Queens, P.E.I.),
Robillard,
Robinson,
Robitaille,
Rochester,
Rouleau,
Roy,
Ryan,
Schultz,
Short,
Stephenson,
Thompson (Cariboo),
Tupper,
Wade,
Wallace (Norfolk),
Wright (Ottawa),
Wright (Pontiac).—77.

NAYS:

Messieurs

Appleby,
Archibald,
Aylmer,
Bain,
Barthe,
Béchard,
Bernier,
Bertram,
Biggar,
Blain,
Borden,
Borron,
Bourassa,
Bowman,
Boyer,
Irving,
Jetté,
Jones (Halifax),
Kerr,
Killam,
Kirk,
Laflamme,
Lajoie,
Landerkin,
Langlois,
Laurier,
Macdonald (Toronto),
MacDonnell(Inverness),
Macdougall (Elgin),
McDougall (Renfrew),

Brouse,
Buell,
Burk,
Burpee (St. John),
Burpee (Sunbury),
Carmichael,
Cartwright,
Casey,
Casgrain,
Charlton,
Cheval,
Christie,
Church,
Cockburn,
Coffin,
Cook,
Davies,
Dawson,
De St. Georges,
DeVeber,
Dymond,
MacKay (Cape Breton),
Mackenzie,
McCraney,
McGregor,
McIntyre,
McIsaac,
McNab,
Malouin,
Metcalfe,
Mills,
Norris,
Oliver,
Paterson,
Perry,
Pettes,
Pickard,
Pouliot,
Power,
Ray,
Richard,
Roscoe,
Ferris,
Fiset,
Fleming
Flynn,
Forbes,
Fréchette,
Galbraith,
Geoffrion,
Gibson,
Gillies,
Gillmor,
Goudge,
Greenway,
Guthrie,
Haddow,
Hagar,
Hall,
Higinbotham,
Holton,
Horton,
Huntington,
Ross (Durham),
Ross (Middlesex),
Ross (Prince Edward),
Rymal,
Scatcherd,
Scriver,
Shibley,
Sinclair,
Skinner,
Smith (Peel),
Smith (Westmoreland),
Snider,
St. Jean,
Taschereau,
Thompson(Haldimand,
Thomson (Welland),
Trow,
Wallace (Albert),
Wood,
Yeo,
Young.—114.

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THE QUEBEC CONSTITUTIONAL QUESTION.

SPEECH BY THE

RT. HON. SIR JOHN MACDONALD.

[DELIVERED APRIL 11TH, 1878.]

From *The Gazette*, Montreal.

Sir JOHN A. MACDONALD—Mr. Speaker, I rise for the purpose of bringing before the attention of this House the late political events which occurred in the Province of Quebec, and I may as well now read the motion which I propose to place in your hand. I move, sir, seconded by the hon. member for Cumberland,

That Mr. Speaker do not now leave the chair, but that it be resolved that the recent dismissal by the Lieutenant-Governor of Quebec of his Ministers was, under the circumstances, unwise, and subversive of the position accorded to the advisers of the Crown since the concession of the principle of responsible government of the British North American Colonies.

It was suggested the other day that the motion to be made on this subject should be an independent motion, standing on its own merits, and in an amendable form, and my hon. friend from Chateauguay alluded as an example to the course taken with respect to the celebrated resolutions relative to responsible government which were passed in September, 1841. There is this difference between that case and this: those were a series of propositions for the future government of the country. Before that, Canada, which had long been fighting for responsible Government, had not succeeded in obtaining that great boon, and those resolutions contained in fact a measure not certainly in the form of a bill, but still a measure for the future government and administration of this country. This, on the other hand, is an expression of a grievance. It is not a resolution for the purpose of laying down a new rule for amending any rule for the administration of the affairs of this country, but it is a statement from the point of view to which I venture to call the attention of this House of a grievance, of a breach of the constitutional system which now exists in Canada. It is a well understood principle that the demand for supply and the assertion of grievances go hand in hand. It is the proper mode and the expedient time for asserting grievances, when supply is demanded by the Crown, and if that be so, the grievances must be stated in the language of the party who claims and states it is a grievance. It is no satisfaction of the right of the party wishing to make his complaint that he should be told by amendments that his grievance is not as alleged, but that it is another kind of grievance, and must be dealt with in another way. Therefore, I have thought it expedient to adopt the constitutional mode of making this motion at this time. This question, as I have already stated, I hope and believe should be approached without any party feeling one way or the other. It is a constitutional question, rising far above and beyond the temporary party struggles of the day. The hon. gentlemen opposite are as interested as we are on this side in the good government of the country, in laying down correct principles for its government. I have had something to do, and I am proud of having had something to do with the confederation of these provinces, with the establishment of the present system and the inauguration of the Dominion. The hon. gentleman at the head of the Government is one of those, to their credit be it said, who forgot party feelings and party antecedents, forgot for the time all the old struggles, in a common effort to lift, if it were possible, the scattered provinces from the slough into which they had in some degree fallen, at least the late Province of Canada, and to form one great Dominion under Her Majesty's Crown and Government. The hon. gentleman at the head of the Government, as well as myself, and all the leading men of that day who were concerned in laying the foundation of the Dominion, must desire to see that a fair superstructure shall be raised on that foundation, and that it shall not be undermined, shall not be weakened or destroyed or prejudiced by any mistake so early in our history. It is of the very greatest consequence that we should make no bad precedent. A bad precedent is a dangerous thing, especially when we are in the commencement of our history. A flaw, a disease at the roots of the young trees, is sure to lead to early decay, and therefore it is especially our duty to see that the tree planted by us—to change the metaphor from the building to the tree—shall be sheltered from every possible disease or infirmity which might destroy its value.

A bad precedent is an exceedingly bad thing If there is a mistake in administration, that can be cured by a change of Government or of policy ; if there is bad legislation, that can be cured by repealing or amending the objectionable Acts, but a precedent once established always has its influence. If you take up constitutional authorities you will find precedents quoted from very early times. It is amusing to see how, when any constitutional question arises, gentlemen interested in such subjects follow out the line of precedents, and you will see sometimes quoted precedents in the time of George III., if not earlier, as of equal value and weight with the precedents that have been set in our own day and in our own time.

Hon Mr. MACKENZIE—That is good Tory doctrine.

Sir JOHN A MACDONALD—The Tory doctrine is a doctrine which says that there must be a conservation of the Constitution. It is good Tory doctrine to say that the treatment bestowed on the tree should vary with its growing wants and development. A bad precedent being a bad thing. It is of the very greatest consequence on this, the first occasion when a great constitutional question has arisen, that we shou d deal with it in a manner worthy of it. I had thought, looking at public affairs from my point of view, that at this time, in the nineteenth century, and with all the advantages we have from English precedents and our own system, a question of this kind could not have arisen in Canada again, but it only shows that eternal vigilance is the price of liberty, when, at this time, here, in Canada, after having gained responsible government at the point of the bayonet, the first principles of responsible government should require to be discussed and defended in this House. The resolution I have submitted to the House states that the act of the Lieutenant-Governor of the Province of Quebec "was unwise, and subversive of constitutional government, and unconstitutional in every way." The first question that arises upon that resolution is whether we have any concern with that in this House. I need scarcely discuss the question, I suppose, and I hope, and believe that the Lieutenant-Governors of the different Provinces stand now precisely in the same position with respect to the Governor-General and his Cabinet as the Governor-General stands with respect to the Queen and her Cabinet, and if that be admitted then it must be held that the Parliament of the Dominion of Canada has a supervision of the acts of the Lieutenant-Governors. Before Confederation, as we all know, each of the Provinces had a Lieutenant-Governor. We had a Governor-General of British North America, who had, by his commission, a nominal supervision over the Provinces of Nova Scotia, New Brunswick and Prince Edward Island, but that was a merely nominal supervision. Then those Governors stood in exactly the same relation to their respective provinces as the Governor-General of British North America did to to the old Province of Canada. They reported direct to Her Majesty's Government, or rather to the Colonial Minister, who represented Her Majesty in that respect. It is well known that before confederation all those governors were liable to have their conduct discussed in the British Parliament. Every governor of every colony in the British Empire was liable to have his conduct discussed, to have a motion made for his recall or for his censure, or to censure Her Majesty's Government if they did not recall them. I need scarcely quote the numerous cases which occurred in days of old, but in modern times we all remember the case of Governor Eyre, whose conduct was discussed in the British House of Commons again and again, who was dismissed by Her Majesty's Government in consequence of the action that was taken in the House of Commons We all know the case of Sir Chas. Darling, who was recalled by Her Majesty's Government, and whose conduct and deportment and mode of government were frequently discussed in the British Parliament. If honorable members would like to have reference to the discussions I will give them. The discussion on Governor Darling's case will be found in the English *Hansard*, volume 191, page 1,964 ; that on Governor Eyre's case in volume 184, pages 1,069 and 1,763. There was a remarkable case, showing the freedom with which the British Parliament discussed the conduct of Colonial Governors, on a motion made by the late Joseph Hume, against successive Governors of British Guiana, where he attacked most strongly the conduct of the Government, charging them with a breach of honor and of duty in respect to these Governors, who were two rather distinguished men, Sir Henry Lighte and Governor Bartlett. In this country, within my experience and that of the hon. member for Chateauguay (Mr. Holton), Lord Cathcart announced in a very unusual way, rather as a soldier than as a politician—

Hon. Mr. HOLTON—By your advice.

Sir JOHN—It was long before my time.

Hon. Mr. HOLTON—It was after Lord Metcalfe came, and before Lord Elgin arrived.

Sir JOHN—It was before my time. The first Governor under whom I served was Lord Elgin.

Hon. Mr. HOLTON—It was your party.

Sir JOHN—I never served either under Lord Metcalfe or Lord Cathcart. Only a year or two ago we had the case of Pope Hennessy, whose conduct in Barbadoes was discussed. Although he was not recalled, the debate in the House of Commons went so far as to show that in his superabundant zeal, because I believe it was such, he had perhaps outrun discretion, and he was a very short period afterwards removed to another colony. These cases, however, are not required in order to establish the fact that the Imperial Parlia-

ment have dealt with the acts, the merits and demerits of colonial Governors with perfect freedom and perfect right, and the Imperial Government are held responsible, as they were in Governor Eyre's case, when they resisted several of the motions made, to follow up his dismissal by punishment, and censure was endeavored to be cast on them by several resolutions. In fact, it is said by the present Lord Grey, in his book on Representative Government, that in some respects the colonies have an advantage over the mother country. The Sovereign can do no wrong, but if the representative of the Sovereign does wrong, the people of the colony have the right to appeal to the foot of the throne, and hold Imperial Ministers responsible if they do not do justice to the colony. I will quote a short passage. Earl Grey says, at page 346 :—

"There was this most important difference between a Colonial Governor and a British Sovereign of the House of Plantagenet or Tudor. The former was responsible to the Imperial authorities, to which the colony could always appeal for protection from a Governor who had abused his power. The Crown will recall any Governor who had failed to discharge his duty, and if he refused to do so on a well-grounded complaint from the inhabitants of the colony, they were entitled to lay their grievances before Parliament."

My contention is, and I do not suppose it will not be dispute , that the same power that rested in the Imperial Parliament with respect to Colonial Governors appointed by direct command of Her Majesty, exists with respect to the Dominion Parliament as far as regards Lieutenant-Governors appointed by commission of the Governor-General. In the remarks which I shall address to the House I assume that the Lieut.-Governor of each province has the same power, represents the Crown to the same degree as the Governor-General represents the Crown with respect to the Dominion Parliament, within the jurisdiction of his own provinces. I do not mean to say, it is not necessary for the purpose of my argument, that that is legally so. A very strong argument has been used lately by a distinguished lawyer in Montreal (Mr. Kerr) upon that point. He has gone to show and to argue that, by law, the Lieut.-Governor being a creature of the statute, a creature of our Constitutional Act, approved by commission from the Governor-General, and not from the Sovereign directly, has not the same power or the same attributes or the same position as the Governor-General. Well, there is much to be said from a merely lawyer's point of view in that respect, and I would not be at all surprised, if a case were brought up before the Courts which would be obliged to set aside the constitutional question and look at the strictly legal question, whether that might not be maintained. We know, with respect to the powers of the Speakers of the different provinces, that that question has been decided twice, if not thrice, perhaps oftener. The different legislatures, the different representatives of the people, the colonial assembly, have always contended that the Speakers in the different colonies had the same power within their limited colonial jurisdiction as the Speaker of the House of Commons, and that it is absolutely necessary for us that the Speaker should have that power. But we know that it was decided in an action brought against the Speaker of Newfoundland, in the case of Kelly and the Speaker, that the Speaker had no such right; that the right of the Speaker of the House of Commons rested upon prescription; that the Speakers, under the colonial constitution, were creatures of the statute, and that they had no common law, parliamentary rights, as the Speaker of the House of Commons had. Still, all the Colonies said it was absolutely necessary that that power should be given them. It was accorded to us, but as a simple legal question it was decided in that case and in several others. In the case of McNab against Bidwell, when Sir Allan McNab brought an action against the Speaker of the old Province of Upper Canada for false imprisonment, because he had, under order of the House of Assembly, and as Speaker, issued a warrant for his arrest, the question was raised, though I am not sure that in that case it was formally decided. For the purpose of this discussion I will assume that the Lieutenant-Governor held precisely the same position in reference to the Province of Quebec, its Legislature and its Ministry as the Governor-General does in regard to this Legislature, and the Ministry that advises him In this discussion, as far as I am concerned, I assume that he has the same power and responsibilities, the same right of exercising the prerogative, within the limits prescribed by the Confederation Act, and the same responsibilities, and that he must be subject to the same checks. I have been speaking about the legal right of Speakers and I would now also speak of the legal rights of Lieutenant-Governors, of the Governor and of the Crown. A great deal of confusion arises, as is evident from the arguments we read in the press, from the intermingling of the question of prerogative power and constitutional right. The Crown has great powers, great legal powers, and if they are exercised, every Court must sustain the exercise of that prerogative power, that legal power, because it is a power conferred upon the Crown by law. At the same time, every one of these acts, which are sustained and may be sustained in the Courts as perfectly legal, may be as thoroughly unconstitutional as the Court declared them to be legal. Formerly it was otherwise, but now the distinction is drawn in practice and in theory. All the constitutional writers lay down that principle beyond cavil, and to say that the Crown has the right to dismiss a person or appoint a person, the right to veto an Act of Parliament, the right to make a treaty, that the Crown has an infinity of prerogative

rights, is no answer to any charge which may be brought against the Crown or the advisers of the Crown, that the legal prerogative of the Crown was unconstitutionally exercised. The Sovereign, for instance, can declare war, as we all know. The Sovereign can make treaties without reference to Parliament. The Sovereign could, by a treaty, give away the Isle of Man, or the Channel Islands, or the Duchy of Cornwall, and that treaty would be legal, and the country would be gone; but, at the same time, there is the right of impeachment, and no Minister in his senses would even recommend such an exercise of the royal prerogative. It is very important, Mr. Speaker, that we should keep that difference distinctly and steadily before us. We see it mentioned in some of the newspapers which are usually called Liberal, but in this case are the reverse of liberal, that the Constitutional Act gives the Lieutenant-Governor the power to dismiss his Ministers; that they only hold office during pleasure, and that that pleasure can be exercised whenever the Crown thinks proper so to exercise it. That is not the Constitution, and I will call attention to the difference shortly, because it is well to lay down this principle, and to understand the difference between the legal power and the constitutional exercise of it. Lord Brougham, who is, I must say, however, not, perhaps, the strongest authority on constitutional questions, who was a little erratic, though his general idea, as my hon. friends opposite who have studied these questions must know, was that of a man whose statements should be received with respect, said:—

"In discoursing upon the frame of our Government, I have frequently used the term 'constitutional,' notwithstanding the disfavor in which it is held by political reasoners of the Bentham school. They regard it as a gross absurdity, and as curt language of the factions whom they hate. They say that the word has either no meaning at all, or it means everything and anything. A thing is unconstitutional, say they, which anyone for any reason chooses to dislike. With all deference to these reasoners, the word has a perfectly intelligible meaning, and signifies that which it is always most important to regard with due attention. Many things that are not prohibited by the law, nay, that cannot be prohibited without also prohibiting things which ought to be permitted, are nevertheless reprehensible because contrary to the spirit of the Constitution. Thus, the Sovereign of England is allowed by law, like any other person, to amass as much money as he pleases by his savings, or by entering into speculations at home or abroad. He might accumulate a treasure of fifty millions as easily as his brother of Holland lately did one of five, and he would thus, besides, have his parliamentary income, and without coming to Parliament for a revenue, have an income of his own equal to two or three millions a year. This would be an operation perfectly lawful and perfectly unconstitutional, and the Minister who should sanction it would be justly liable to severe censure accordingly. Some speak with perfect correctness of a law which is proposed being unconstitutional if it sins against the genius and spirit of our free government; as for example, against the separation of the executive from the legislative and judicial functions. A bill framed into a statute which should permanently prohibit public meetings without the consent of the Government would be as valid and binding a law as the Great Charter or the Act of Settlement, but a more unconstitutional law could not be well devised. So a law giving the soldiers or the militia the power of choosing their officers, or a law withdrawing the military wholly from the jurisdiction of the courts of law, would be as binding and valid as the Yearly Meeting Act. But it would violate most grievously the whole spirit of our Constitution. In like manner, letting the people choose their Judges, whether of the Courts of Westminster or Justices of the Peace, would be as unconstitutional a law as letting the Crown name the juries in all civil and criminal cases."

But, sir, I will quote the language of a man of the present day, the mention of whose name will be sufficient to ensure respect for his opinion, one who is extremely liberal in his views, and who, as an historian, has assumed in England the first place. I refer to Mr. Freeman. This passage is so instructive that, at the risk of being tedious, I shall read it, especially as the point I am now discussing is put far more aptly and with greater ability than I can pretend to put it:—

"Since the 17th century things have in this respect greatly altered. The work of legislation, of strictly constitutional legislation, has never ceased. A long succession of legislative enactments stand out as landmarks of political progress, no less in more recent than in earlier times. But, alongside of it, there has been a series of political changes, changes of no less moment than these which are recorded in the Statute Book, which have been made without any legislative enactment whatever. A whole code of political maxims, universally acknowledged in theory, universally carried out in practice, has grown up, without leaving among the formal Acts of our Legislature any steps by which it grew. Up to the end of the 17th century we may fairly say that no distinction could be discerned between the constitution and the law. The prerogative of the Crown, the privilege of Parliament, the liberty of the subject might not always be clearly defined on every point. It has, indeed, been said that those three things were all of them things to which, in their own nature, no limit could be set. But all three were supposed to rest, if not on the direct words of the statute law, yet at least on that somewhat shadowy yet very practical creation, that mixture of genuine ancient traditions and of recent devices of lawyers which is known to Englishmen as common law. Any breach, either of the rights of the Sovereign or of the rights of the subject, was a legal offence, capable of legal definition, and subjecting the offender to legal penalties. An act which could not be brought within the letter either of the statute or of the common law would not then have been looked upon as an offence at all. If Lower Courts were too weak to do justice, the High Court of Parliament stood ready to do justice, even against the mightiest offenders. It was armed with weapons fearful and rarely used, but none the less regular and legal. It could smite by impeachment, by attainder, by the exercise of the greatest power of all—the deposition of the reigning King. But men had not yet reached the more subtle doctrine that there may be offences against the Constitution which are no offences against the law; they had not learned that men in high office may have a responsibility, practically felt and acted on, but which no legal enactment has defined, and which no legal tribunal will enforce; it had not been found out that Parliament itself has a power, now practically the highest of its powers, in which it acts neither as a Legislature nor as a Court

of Justice, but in which it pronounces sentences which have none the less practical force because they carry with them none of the legal consequences of death, bonds, banishment or confiscation. We now have a whole system of political morality, a whole code of precepts for the guidance of public men, which will not be found in any page of either the statute or the common law, but which are, in practice, held barely less sacred than any principle embodied in the Great Charter or in the Petition of Right. In short by the side of our written law, there has grown up an unwritten or conventional constitution. When an Englishman speaks of the conduct of a public man being constitutional or unconstitutional, he means something wholly different from what he means by conduct being legal or illegal. A famous vote of the House of Commons, passed on the motion of a great statesman, once declared that the then Ministers of the Crown did not possess the confidence of the House of Commons, and that their continuance in office was therefore at variance with the spirit of the Constitution. The truth of such a position, according to the traditional principles on which public men have acted for some generations, cannot be disputed, but it would be in vain to seek for any trace of such doctrines in any page of our written law. The proposer of that motion did not mean to charge the existing Ministry with any illegal act, with any act which could be made the subject either of a prosecution in a Lower Court or of impeachment in the High Court or Parliament itself. He did not mean that the Ministers of the Crown committed any breach of the law of which the law could take cognizance by retaining possession of their offices till such time as the Crown should think good to dismiss them from these offices: what he meant was that the general course of their policy was one which, to a majority of the House of Commons, did not seem to be wise or beneficial to the nation, and that therefore, according to a conventional code as well understood and as effectual as the written law itself, they were bound to resign offices of which the House of Commons no longer held them to be worthy. The House made no claim to dismiss those Ministers from their offices by any act of its own, it did not even petition the Crown to remove them from their offices: it simply spoke its mind on their general conduct, and it was held that when the House had so spoken, it was their duty to give way without any formal petition, without any formal command on the part of either the House or of the Sovereign. The passing by the House of Commons of such a resolution as this may perhaps be set down as the formal declaration of a constitutional principle, but though a formal declaration, it was not a legal declaration; it created a point for the practical guidance of future Ministers and future Parliaments, but it neither changed the law nor declared it. It asserted a principle which might be appealed to in future debates in the House of Commons, but it asserted no principle which could be taken any notice of by a Judge in any Court of law. It stands, therefore, on a wholly different ground from those enactments which, whether they changed the law or simply declared the law, had a legal force, capable of being enforced by a legal tribunal. If any officer of the Crown should levy a tax without the authority of Parliament, if he should enforce martial law without the authority of Parliament, he would be guilty of a legal crime, but if he merely continues to hold an office conferred by the Crown, and from which the Crown has not removed him, though he hold it in the teeth of any number of votes of censure passed by both Houses of Parliament, he is in no way a breaker of the written law, but the man who would so act would be universally held to have trampled under foot one of the most undoubted principles of the unwritten but universally accepted constitution."

Now, sir, what is the case of the Lieutenant-Governor, and what were his relations to his advisers, constitutionally setting aside the legal question altogether which I have attempted to discuss? Setting aside his legal right to dismiss every officer holding office under him during pleasure, what is the position of the Lieutenant-Governor and his advisers? They hold precisely the same position, as I contend, with respect to the Lieut.-Governor as Lord Beaconsfield and his Government hold with respect to Her Majesty, and the hon. member for Lambton and his Ministry hold with respect to the representative of the Sovereign, the Governor-General. Under the constitution as it now stands, I contend that the Ministry of the day, so long as they have the confidence of Parliament, so long as they are sustained in Parliament, must and will have the right to claim the confidence of the Sovereign or the representative of the Sovereign. I contend that, although it was otherwise formerly, and although the doctrine has grown up by slow degrees, and although we read of dismissals of Ministries by the Crown in the earlier days, when the constitution of England was still undeveloped to the state of perfection in which I think it exists at this moment yet, in this day, so long as the advisers of the Crown have the confidence of Parliament, they have a right to claim the confidence of the Sovereign. That is the great principle. If we do not hold to that, then we are all at sea, and in great danger of being wrecked; then, indeed, our institutions are not only on their trial, but we have great reason to dread that they will fail, and that this promising commencement of our new Dominion will, by an abandonment of that great landmark, fail to carry out its future as a Dominion, founded on British constitutional principles, and carrying them out under more favorable terms and under less fettered conditions than even our fellow-countrymen in Great Britain and Ireland. As I have said before, this is a question which appeals to all of us, to every man, to every lover of his country, every lover of free institutions, everyone who wishes to embalm, as it were, British institutions in this great off-shoot of the British monarchy. It is so necessary that we should consider this question as it exists now in England, and not according to old precedents, that I will take the liberty, before I sit down, of calling the attention of the House to the gradual growth, the very gradual growth in the face of such immense discouragements and immense pressure from the Crown, and occasionally from immense weaknesses on the part of the advisers of the Crown, that it is only by slow degrees that we have evolved the now present system that exists in England, and which, I hope, by the vote of this House, and by the advice of this House, and by the general concurrence of this House, will be carried out in this country. When I speak about the failure of Ministers in Eng

land, we know that we have failed, and that the desire of continuing in office has again and again made them make unworthy compliances to the Sovereign, but notwithstanding the obstinacy, the wrong-headedness, if I may use the expression, from the Queen or King wearing the Crown at the time, and the unworthy compliances and weaknesses of the advisers of the Crown, yet, by slow degrees, the constitution has been evolved, until we now have that principle fixed in England, and I hope that the action of this House will fix it in Canada, and that, so long as the Ministry of the day have the confidence of the people, they will have the confidence of the Crown, will be advised by those men who will have the confidence of the Crown, and that the Crown will be advised by those men who have the confidence of the representatives of the people. There is only one case, sir, in which it seems to me that this doctrine can be impugned, and that is when the Sovereign has a reason to believe that the representatives of the people, who, I maintain, should support the advisers of the Crown, have forfeited the confidence of the people themselves. In such a case, Mr. Speaker, if the Crown has that opinion, the Crown has a fair right to say to its advisers:—"Though I admit that you have the confidence of the representatives of the people, though I admit that you are sustained in Parliament, yet my idea is this: that those who do so sustain you have from one cause or another forfeited the confidence of the people themselves, and I desire that there shall be an appeal under your guidance. I hold you, my advisers, to have the confidence of the people until the contrary is shown, but I call upon you, and I insist upon it, that there be an appeal to the people, and if you come back from the people sustained in the future, as Parliament has sustained you in the present Parliament, then you will have again the confidence which has been to some degree weakened by late events" For instance, Mr. Gladstone himself did not wait for any such intimation from the Crown; he did not wait to be told that there was unmistakable evidence that a reaction had set in in England; he did not wait to have the Crown send for him and say to him:—"You see single after single election going against you; you see that there is a very strong reaction in the country, and I think that you ought to appeal to the country as a whole; I think that you ought to see whether the country has such confidence still in you that you have a title to the renewal of your lease of office." No; Mr. Gladstone felt that it was due to himself and his position to go to the country; he believed, and it may or may not have been so, that these elections which had gone against him were indications that he had, to a certain extent, lost the confidence of the people, and of his own accord advised the Sovereign to dissolve, so that there might be an appeal to the people. In the first place, I would call your attention shortly to the act of the Lieutenant-Governor in the Province of Quebec. He had found his Ministers in when he came into power, and found them sustained by the representatives of the people in the House of Assembly. He found them in the Upper House, which was a judicial House, nominated by the Crown, and they were there also strong.

Hon. members—Hear, hear.

Sir JOHN—It is so; I state so as a matter of fact. As a matter of fact, the Lieutenant-Governor found them in office. They had then the confidence of the representatives of the people, and they had the support—if that suits better—

Hon. Mr. BLAKE—To the term a "judicial House" we were objecting, because every man in it was nominated by themselves.

Sir JOHN—Every man on the Bench is nominated the adviser of the Crown, and yet they are not judicial officers. (Hear, hear)

Hon. Mr. CARTWRIGHT—They have judicial functions.

Sir JOHN—I know, Mr. Speaker, that it is the fashion in some places and in some ways to attack the Senate or the Legislative Council, as nominated bodies; that is a point by itself which perhaps we had better not import into this discussion even by a cheer. When I say "judicial," I mean to say that their functions are supposed to be somewhat analagous to those of the House of Lords. The House of Lords is supposed to have judicial functions; that is to say, they are not to resist the well ascertained will of the people, and that they are to sit judicially upon the measures of the representatives of the people, the House of Commons, so that they may give the people themselves the opportunity, if they think right. In considering that question, the question they are dealing with, they are a check on the House of Commons, the representatives of the people, and in this respect they hold an advisory and *quasi* judicial position, that is all I mean in that respect. But the Lt.-Governor found a Ministry, having the confidence of both branches of the local Legislature, in office, and they were very strong, I believe, in the House of Assembly, but I do not know what the proportions were in the Legislative Council—I believe that they were two to one.

Mr. DEVLIN—More than that.

Sir JOHN—Two to one in the Lower House; they had a majority of 20 in 65. The Lieutenant-Governor had their assurance that his advisers had the confidence of the representatives of the people, and of the other branch of the Legislature, which wisely or unwisely was a constituted authority in this case. The whole, or nearly the whole of the session, dragged on, the Ministry of the day introduced their several measures; they carried them almost to completion; they brought down, for instance, a system of taxation, which is not a very popular thing for any Government to do, as perhaps every Finance Minister in his lifetime has found

out; this was allowed to go on until it had almost come to completion; the principal measures of the Government were about to become law in a day or two, and all these measures had been supported by strong votes in both Houses. They had been supported, and there was a vote of want of confidence against them on one of these measures, but it was out-voted by a numerous majority, considering the small body of which that House is constituted, and yet at the last moment, just before the prorogation, when they had the proof that both Houses had determined on this, and the proof that the representatives of the people—and until there is an appeal to the people it is to be held that they had the confidence of the people—approved of it; then the Lieut.-Governor took the opportunity to dismiss these men on the ground that these measures were unconstitutional. Not one of these grounds was sufficient, not one of these grounds can hold water for a moment. I am quite satisfied that if the illustrious personage of whom we spoke to-day had been in the position of the Lieut.-Governor of the Province of Quebec, he would rather have cut off his right hand than permit what he would consider an outrage on the British constitution. I said that by slow degrees England was educated up to the present position of constitutional law. The constitution is developing every moment. Here, as Bristow says, the constitution is not now what it was in 1860. The constitution is not certainly now what it was in 1838, at the time of the Bed-chamber plot. The constitution of England at this moment is being developed to a perfect system, and what we contend is the right of the people of the Dominion and the right of every province of the Dominion, is that we have a right to claim that we have precisely, in our several legislatures and in respect to the several legislatures and this Parliament, the same right as the English people have with respect to their Parliament. Now, sir, look at the case of dismissals even in the time of George the Third, and he, as we all know, said, if we draw our authority from the Liberal writers—and the Liberal writers of that day are the Liberal-Conservatives of to-day——

Hon Mr. Holton—Do not slander them.

Sir John—Edmund Burke made his appeal from the new Whigs to the old Whigs, and he would be in this country what we call a Baldwin Reformer, or, in other words, a Liberal-Conservative. Now, sir, in 1774, it has been laid down by all the writers that the present British constitution only commenced to get fair play, and that the Rockingham Government was established over the ruins of George the Third's old Government, Lord Bute and the rest of them, by the influence and by the genius and by the efforts and by the writings of Edmund Burke. In 1774, Mr. Fox, or rather the Duke of Portland, who formed the famous Coalition Government, was dismissed by George the Third. Well, sir, even then, although it is admitted by all writers, as well by those who may be considered to be writing on the Conservative side, or the Tory side, if you like, as by all Liberal writers, that, looking at the transactions of that day by the light of the present constitution as at present administered, George the Third was wrong, and that George the Third, if he did now what he did then, would be considered to have committed a great breach of the constitution. What was that case? It is quoted, and it is one of the examples of how far a bad precedent reaches, and how it may, to the latest instant, be quoted, when it should be looked upon as a rock to be avoided rather than as a precedent to be followed. The Indian bill was introduced into the House of Commons; it was carried in the House of Commons, and it was defeated in the House of Lords. George the Third was known to be opposed to that measure; George the Third knew that it was taking away all the Crown patronage which he was eagerly holding in his tenacious grasp; it was known that it transferred the patronage of the Crown to the Ministry of the Crown of the day. Although he was aware of that, and he felt too, in his heart's core, that this was a blow at what he considered the monarchical principle and the monarchical power, yet he allowed it to pass through the House of Commons, although he was opposed to it, and the Ministry knew that he was opposed to it; although they knew that every feeling and every principle and every emotion of George the Third was opposed to that measure, yet he allowed his Ministers to introduce that bill. It was carried through the House of Commons. It came to the House of Lords, and only when it was defeated by the other branch of the Legislature, and thrown out, did he say "You have lost the confidence of one branch of the Legislature;" and mind you, Mr. Speaker, that then the House of Lords was of as much consequence, if not of more consequence, than the House of Commons. If this was long before the Reform bill, it was a time when the House of Lords had not only its own power and position and prestige, as a great branch of the Legislature, but it was a time when it controlled more than one-third, aye, and approaching to nearly one-half of the House of Commons, so that a great peer in the House of Lords was an infinitely greater political man than a political man in the House of Commons, and it was more necessary at that time, if possible, and certainly as necessary to have the confidence of the House of Lords as it was to have the confidence of the House of Commons, and it was not until there was a vote of want of confidence, by throwing out this measure, on which the Administration had staked their whole existence, that he ventured to dismiss them. And yet, notwithstanding that case, it is now held by all constitutional writers, held by all statesmen,

and held by every man who has carried the constitutional principle into action, that the conduct of George the Third cannot be defended as being constitutional.

Hon. Mr. BLAKE—He brought about the vote.

Sir JOHN—That is only another instance of the King interfering improperly. I am not defending George the Third, who certainly brought about the vote.

Hon. Mr. BLAKE—I am simply pointing out that this was an ingredient in his conduct.

Sir JOHN—Still, George the Third certainly had no right to write that letter to Lord Temple. Certainly this act would not be borne with for a moment now. Although we had, under a great State exigency, under the danger of there being a great revolution in England, William the Fourth doing very nearly the same thing with respect to the Reform bill, it is admitted that this was a breach of the Constitution, but it was like the suspension of the *Habeas Corpus* Act in time of war or insurrection. In 1801 Mr. Pitt was not dismissed, but he resigned because the King insisted upon his abandoning his project for Catholic emancipation. It was a resignation. It was a dismissal in terms, but it was approaching very much to a forced resignation. He resigned on the Catholic question. The next dismissal was that of Lord Grenville 1817. It took place on one form of the Catholic question, namely, in regard to allowing officers professing the Catholic religion to hold high rank in the Army. The King at first consented, but afterwards stated that a misapprehension had occurred as to the extent of his assent, and therefore requested the Ministry to withdraw the bill. That the Government consented to do, but the King required still further a pledge from them in writing that they would never introduce a similar measure. They at once said it would be unconstitutional, and derogatory to their position, and they were dismissed. There were two cases in the time of George the Third, that of Lord Grenville and of the Portland Administration, the coalition Administration of Fox and Portland. During the whole reign of George the Fourth there was no dismissal; although he was opposed to Catholic emancipation, although he had an hysterical abhorrence to that measure, yet he finally yielded to his Ministers. There was no dismissal by George the Fourth. There was one dismissal by William the Fourth in 1834, and that we have all seen quoted as a precedent for the dismissal in Quebec in 1878. Now, in the first place, there was a great excuse, which was not so well known at the time as it is now, for the conduct of William the Fourth in dismissing the Government of Lord Melbourne, in consequence of the death of Lord Spencer and the elevation of Lord Althorpe, who led the Lower House, to the House of Peers. That you will find described in Greville's Memoirs, and in order to show there was an excuse for William the Fourth in that case, which does not exist now, I will quote shortly the statement the King made, which is given by Greville, and which has been confirmed in the Memoirs of Baron Stockmar:—

"When Lord Melbourne went down to Windsor to see the King, on the death of Lord Althorpe, the following is stated to have occurred:—Lord Melbourne told him, that is, the King, that he had only undertaken to carry on the Government in consideration of having the assistance of Althorpe in the House of Commons; his removal made it necessary to adopt a new organization altogether, that some considerable concessions to the principle of reform were judged to be necessary, and the appointment of a successor to Althorpe, who should carry them into effect; that he was of opinion that without these the Government could not go on, and at the same time it was necessary to state that there were members of the Cabinet who did not coincide with these views, and who would retire when Parliament met, if they were adopted These were Lord Lansdowne and Spring Rice Lord John Russell was to lead in the House of Commons, but the loss of Rice would be a severe blow to them. The concession related principally to Church reform. The disunion of the Cabinet being thus exhibited, it was clear the Government could not go on without some material alteration in its composition. The King urged this, and asked Melbourne from what quarter the necessary accession of strength was to be procured, and whether he could hope for it from the Conservative interest. He owned that nothing was to be expected from that quarter. It remained, then, that it was only from the more extreme party that their ranks could be recruited. To this the King would not consent, and he therefore imparted to him his resolution of placing the Government in other hands."

In a note made by Mr. Reeve, who was Clerk of the Privy Council at that time, and who edited Grenville's Memoirs, it was stated that this account of the transaction was confirmed in almost every particular by the statement drawn up by King William himself, or by his directions, for the information of Sir Robert Peel, and first published in Baron Stockmar's Memoirs in 1872; that when Lord Melbourne formed his Government, he told the King that it could not continue unless Lord Althorpe remained in the House of Commons, and unless it became a more Radical and less old Whig Government; that Lord Lansdowne and Spring Rice, who were known as the leading Whigs of that day, were going to retire, because they would not go with the more extreme party, and that unless the Government was reorganized, he could not carry on the Government Such was the excuse given by the King, and it bore considerable force; yet, by the entire *consensus* of practical statesmen and theoretical writers, it had been admitted that William the Fourth was wrong. Let it be remembered, moreover, that there is this marked distinction between that case and that in Quebec: at the time when Lord Melbourne told the King he could not go on without a radical change in his administration, and in fact have it recast, he was in a minority in the House of Lords, whereas, in Quebec, a vote of confidence in the Government was adopted both by the Commons and the Upper House.

It being 6 o'clock the Speaker left the chair.

AFTER RECESS.

Sir JOHN A. MACDONALD—At the time when the House took recess I was speaking of the last instance in the history of England, when the power of dismissal of Ministers by the Crown was exercised. Such a case has not occurred since then It was unsuccessful then, as it deserved to be. It received the repudiation of Parliament and of the people by the triumphant return of Lord Melbourne and his supporters at the general election, which was forced on unconstitutionally. It has been pointed to with scorn by all writers on the subject ever since. and it is therefore an important landmark in the history of constitutional law in England, of an act which can never happen again in the Mother Country, and I would feign have hoped, if it had not been for recent occurrences in Quebec, it would never have happened in any country having English institutions. I shall have to quote several authorities with respect to this last outrage and offence against responsible government in England and against the British Constitution. Since recess I have opened the second volume of the Memoirs of Lord Melbourne, written by Mr. McCullagh Torrens, an old Parliamentarian, and a man of high standing in Parliament, than whom no one was more competent to deal with the subject. The writer, who treats the Memoir as a narrative, took the ground that if a change of Government were to be made, it should be carried out in a constitutional manner:—

"Lord Melbourne felt it to be his duty to remind his Sovereign that the Ministry h d a large majority in Parliament on a question of importance. The Ki g replied that they were in a minority in the Peers, and he had r ason to believe they would speedily be in the same condition in the Commons, and he added peremptorily they had better, therefore, resign without loss of self respect. William the Fourth was quite right, according to the principles of the constitution. If Lord Melbourne thought his Adm nistration had not the confidence of the people, they had the r ght to appeal to the count y if they desired to do so, and it was when he had declined to do so, and not before, that the King should have dismissed him, and brought in another Administration, to try th experiment whether the people supported the new or the old Administration."

The writer further said :—

"It appeare i as though his majesty" (change majesty to His Honor. "had been misled into the unconstitutional course of taking counsel from others without the knowledge ot his legitimate advisers, and he was about to follow some secret or irresponsible counsel in opposition to their advice. Lord Althorpe, who was of such importance in the king's opinion as to warrant his removal from the leadership of the House of Commons to the House of Lords, as Earl Spencer, on the death of his father, might be supposed to feel flattered by the declaration of his Sovereign: that his withdrawal from the House of Commons was sufficient to b eak an administration He had made up his mind never more to enter politics, and he never did so But what did Lord Althorpe say? He remained for some weeks at Altho pe, in seclusion, and finally made up his mind to take no further part in public affairs. But in the calm of his retirement he was peculiarly qualified to weigh the motives which had led to the dismissal of his late colleagues, and the consequences of that dismissal, and his judgment was unwavering and stern He suggested to Mr. Hume, with whom he had never any confidence, and very intermittent public agreement, that an early opportunity should be taken to ascertain what the opinion of the new House of Commons was upon the mode in which Lord Melbourne had been dismissed. In his view the conduct of William the Fourth was not only reprehensible but far too dangerous as an example to be suffered to pass unreprehended by Parliament."

That would be found in a letter dated January 31st, 1835, from Lord Althorpe. It is said that in this age the people do not know the history of their time. In looking at the imperfect histories written of recent days, you find little allusion to the philosophic and constitutional reasons affecting the course of the administration of the nation. I will quote from a well known History of England, written by Charles Knight, who, as everyone knows, is a great literary man and great politician, and a great Liberal. The sentences are few, but the words are pregnant with meaning. The author wrote :—

"The sensation produced in London by the reported dismissal of the Ministry was a natural consequence of the suddenness of the act as it presented itself to the body of the people, in its really unconstitutional character, as it appeared to thoughtful and well-informed men. The Sovereign has a constitutional right to dismiss Ministers, but it must be on grounds more capable of justification to Parliament than the simple exercise of his personal will. The sudenness of the resolve rendered an arrangement necessary which could not be justified by any precedent, except on one occasion of critical emergency in the last days of Queen Anne. That was when it became a question whether a pretender (a Stuart) should be raised to the throne or that the Hanoverian succession should be maintained."

Let me quote from a periodical then of considerable more weight than it has now, viz., the *Edinburgh Review*, on this subject, and I think the House will agree with me that the sentences are pregnant and the language forcible. The *Edinburgh Review* said :

"The power of the Crown to choose its Ministers is clearly a necessary attribute of the monarchy. but is it now exercised under adequate checks? Some intriguing courtier, some clamorous friend who has access to the royal ear, some politician who has a purpose to serve, and cares li tle if a new Ministry lasts no longer than his own gratification requires, may abuse the royal confidence, and blindly bring on an experiment all but desperate for both king and country, of changing the Ministry. By the strict letter of the law, the Minister who accepts office is responsible for the change which removed his predecessors. But suppose one Ministry displaced, and that no one agrees to take his place; suppose this suspension of Ministerial functions continue for weeks, who is answerable for that? Indeed, if the King has once dismissed his Ministers or he is left without a Government, hardly any practical responsibility could ever be incurred by the men who only entered into places made vacant long before they were consulted."

The language used in this article is so strong that I do not care to read it all, lest it should

1168

be supposed that I did it for party purposes, or with the intention of applying it expressly to the circumstances in Quebec :—

"If anyone thinks that the view here taken of the late change of Ministry is too strong, let them reflect on the wholly unprecedented circumstances which distinguished that strange event. Between His Majesty and his confidential servants there existed no difference of opinion upon any subject of policy, foreign or domestic. This is now explicitly admitted by the Tories themselves. Among the Ministers reigned the most perfect harmony on all questions, and personally the members of no Cabinet ever were on more cordial terms one with another. This, too, is admitted, and the King's speech describes their whole policy as perfectly unexceptional and uniformly successful. Lord Althorpe became a Peer, Parliament was not sitting, and therefore, and for no other reason whatever, as is now allowed by all, the King changed his Government, called to his councils the most opposite class of statesmen he could find, gave his confidence to the men whom the country most distrusted and disliked, and would not even wait a few days before he cleared out his House. That he had been wishing to change the Ministry for some time is very possible, but when his royal father, said to be one of the ablest professional men of his day, wanted to make such changes, he always waited his opportunity and seized on some measure or on some pretext, in some moment when there was a cry against his servants, to deliver them over into the people's hands, and appoint more popular successors, men whom he liked, not certainly because of their popularity, but in spite of it. It was this that, when Mr. Fox died, His Majesty waited till a 'No Popery' cry could be raised, and only turned out the Whigs six months after they had lost their mighty chief. The secret advisers of the present King have done much certainly to dispirit and to alienate by their late proceedings, but nothing to show that they are gifted with his royal parent's kingcraft. They seem to think that a king should turn off his Ministers much as a gentleman does his livery servants."

That is the opinion of the *Edinburgh Review*. I have said that no dismissal has taken place since that time. George the Third dismissed his Ministers in two instances; William the Fourth in one instance; George the Fourth, with all his faults, never thought of such a thing. He fainted on one occasion; he wept, he deplored his sad fate in being obliged to submit to his Administration on the Catholic question, but he yielded; and Queen Victoria has in no case committed such an outrage on the constitution as to dismiss a Ministry which had the confidence of the representatives of the people. The nearest approach to that in the Queen's history is called the Bedchamber Plot. In 1838, not two years after she ascended the throne, on the resignation of the Whig Administration, Sir Robert Peel was sent for, and he insisted that the Ladies of the Bedchamber, who were the wives of the defeated Ministers, should also retire. He did not interfere with the Maids of Honor and others, but he said it was unseemly that the great ladies of the Court should be the wives of the members of the defeated Administration; that the wife of the defeated Prime Minister, for instance, should be at the ear of the Queen, conveying her husband's sentiments and the opinions of the Opposition. The Queen, then a young woman, naturally clung to the friends of her youth, and she declined to have them removed. Sir Robert Peel declined to form an Administration unless they were removed. There was at the time great sympathy with the Queen; I remember it quite well. I remember how it rang through the press in England about the attempt to force upon Her Majesty, this young lady, strange women, instead of those she respected and esteemed and had been brought up with. But in 1842, when the Queen had become a little more acquainted with kingcraft, and knew her position, and when Sir Robert Peel was called in again, she admitted that she was wrong, and allowed the Ladies of the Bedchamber to be removed, and in the Life of the Prince Consort, in the previous book, you will find some leaves written by the Queen, where she gracefully and frankly acknowledges that she made a mistake. This is the only instance that has a remote resemblance to this case. It was the cause of the refusal to take office of Sir Robert Peel, because the Queen insisted on her personal predelictions in opposition to the principle that even the *entourage* of the Sovereign should be selected under the advice of the responsible Ministers of the day. The only case that at all appears to give a justification for the course taken in Quebec is that which happened the other day in South Africa: the action of Sir Bartle Frere, who dismissed a Ministry and sent for a new one. This is defended—faintly defended, perhaps, and if it proves to be on true ground, it will be upheld. The result will show whether he will be upheld or not. But his justification is *salus populi suprema lex*. It was a case where all constitutional practices must be set aside in the presence of a great danger. There were a few white men in the South African Colonies; there were 200,000 Zulus threatening them on one flank, and the great body of the aborigines threatening the whole frontier, and Sir Bartle Frere said : "I must take this course, or I may have upon my conscience the blood of every white man in South Africa" We know how fractious the Molteno Government has always shown itself. That Government declined to give the control of the militia force in South Africa to the commander-in-chief. England had her military forces there, and was responsible for the safety of these great and growing colonies. England said :—"If we are to fight your battles, we must have the control of your martial force. We cannot have a divided command; we cannot have our Sir O'Grady Haly controlled by Colonel Powell, your Adjutant-General, we cannot have two separate and independent forces acting under different commanders, and without a common responsibility." This was defended, I think, in the *Saturday Review*, and certainly in the *Pall Mall Gazette*, upon the same ground on which the *Habeas Corpus* Act and the Charter of British Liberty might be suspended in the presence

of threatened rebellion or certain war On that ground, and on that ground only, is it defended, and on these only is it defensible. There can be no application of that case to the present, where there is no war or expectation of war; where there is no fear of external attack or internal commotion. Peace, thank God, dwells in our borders, and we can carry out the British system in its entirety without any such infringement as we have seen on this occasion. Look at the different course of Sir George Bowen, where the circumstances were more than suspicious, when the apparent action of the Government, so far as we can understand it, was such as to propose to disarrange the whole machinery of the Government. The Judges, the officials were all paid off, and the threat was made that unless the Upper House yielded to the Lower, and passed a bill to pay the latter their wages as members, the lunatic asylums, prisons and penitentiaries should be opened, and all the idiocy and madness and crime should be poured out upon the colony, and yet the British Government sustained Sir George Bowen in saying "I must sustain my Administration, who have the confidence of the people. Unless Imperial interests are threatened, it is not for me to judge. I must take my advice from my Administration." And the Liberal press in England sustains him in that. No more able article has been written than that in the London *Daily News* on this subject, showing that if the colonies were to be really a *fac-simile* of the British constitution, it must be carried out to its utmost extremity short of war or bloodshed, and the natural consequence had proved to be that a compromise, from the necessity of the case, had arisen between the two Houses, simply because Sir George Bowen, though the course of his Ministers was opposed by every newspaper in England, supported them because they had a majority in Parliament. I said a little while ago that we must judge of the British constitution as it is now, as it has been developed, and not as it was 50 years ago, 75 years or 30 years ago.

Sir John Macdonald—I shall call the attention of the House to what I believe to be the true principles of the British constitution on the point which I am pressing upon consideration of the House at this moment in 1878. I shall first quote an author who has been quoted again and again; Mr. Bagehot, whose lamented decease struck England with sorrow; especially all political constitutionalists, for he was considered the authority of the day on constitutional law. If I am permitted in this argument to relate a little anecdote, I would do so with reference to this gentleman. This book from which I quote was, in the first place, published in the *Fortnightly Review*. I had read some of the numbers before I went to England in 1865, and I was dining with the Political Economy Club of London, of which the hon. the premier is a member, when in the course of a conversation on politico-economical matters with a gentleman who sat near me I said "I have been very much struck with some articles in the *Fortnightly Review* on the English constitution. It seems to me that they give the only true picture of the British constitution as it now exists. They are written by one Mr. Bagehot." He said, "I am very glad you like them, because I am Bagehot" From that time an acquaintance grew up between us, which only ceased with his lamented death. Let me now read from him:—

"The principle shows that the power of dismissing a Government with which Parliament is satisfied, and of dissolving that Parliament upon an appeal to the people, is not a power which a common hereditary monarch will, in the long run, be able beneficially to exercise. Accordingly this power has almost, if not quite, dropped out of the reality of our constitution. Nothing, perhaps, would more surprise the English people than if the Queen, by a *coup d'etat*, and on a sudden, destroyed a Ministry firm in their allegiance and secure of a majority in Parliament. That power indisputably in theory belongs to her, but it has passed so far away from the minds of men that it would terrify them if she used it, like a volcanic eruption from Primrose Hill. The last analogy to it is not one to be coveted as a precedent In 1835 William IV. dismissed an administration which though disorganized by the loss of its leader in the Commons, was an existing Government, had a Premier in the Lords ready to go on, and a leader in the Commons willing to begin. The King fancied that public opinion was leaving the Whigs and going over to the Tories, and he thought he should accelerate the transition by ejecting the former. But the event showed that he misjudged. His perception indeed was right: the English people were wavering in their allegiance to the Whigs, who had no leader that touched the popular heart, none in whom liberalism could personify itself and become a passion, who, besides, were a body long used to opposition, and therefore making blunders in office, who were borne to power by popular impulse, which they only half comprehended, and perhaps less than half shared. But the King's policy was wrong: he impeded the reaction instead of aiding it; he forced on a premature Tory Government, which was as unsuccessful as all wise people perceived that it must be. The popular distaste to the Whigs was as yet but incipient, inefficient, and the intervention of the Crown was advantageous to them, because it looked inconsistent with the liberties of the people, and in so far as William IV. was right in detecting an incipient change of opinion, he did but detect an erroneous change. What was desirable was the prolongation of liberal rule. The commencing dissatisfaction did but relate to the personal demerits of the Whig leaders and other temporary adjuncts of free principles, and not to those principles intrinsically, so that the last precedent for a royal onslaught on a Ministry ended thus: in opposing the right principles, in aiding the wrong principles, in hurting the party it was meant to help. After such a warning, it is likely that our monarchs will pursue the policy which a long course of quiet precedent at present directs. They will leave a Ministry trusted by Parliament to the judgment of Parliament."

And so he winds up the whole of his discussion on this subject by this pregnant phrase:—

"The Queen can hardly now refuse a defeated Minister the chance of a dissolution.

any more than she can dissolve in the time of an undefeated one, and without his consent."

This quotation has been already used in a speech made by Mr. Chapleau, who had made a long quotation from Bagehot, which I did not recognize and which I did not find. I thought that I knew this work by heart. It has been my guide as regards the principles of the British Constitution. I searched the different editions, but I could not find it. I telegraphed to Mr. Chapleau to find out where he got that quotation, and he gave me the reference. It is a rather singular thing that it has never yet, until it was translated by Mr. Chapleau, or for Mr. Chapleau in his speech, appeared in English. Bagehot's book at once took public attention, and a French edition was published of it. It was published in 1872, I think, immediately after a book on the British Constitution was written by the late M. Prevost Paradal, and in the French introduction to his book, which otherwise is a translation of this, he discusses some of the points taken by M. Paradal in his book on the British Constitution. I have the original edition here in French, but as I shall trouble you with my imperfect French, I will read you Mr. Chapleau's translation of it, which I have verified as being a correct translation. I have already read you the first passage he quotes, and I shall read it, on account of its importance, again:

"The Queen can hardly now refuse a defeated Minister the chance of dissolution, any more than she can dissolve in the time of an undefeated one, and without his consent." (This is the quotation which only appeared in French, but I shall read you the translation.) "And no monarch should dissolve Parliament against the will and the interest of the Ministry which is in power. No doubt the King can dismiss such a Ministry and replace it by another Administration, whose advice to dissolve Parliament he should take, but even with this precaution, to act thus towards a Ministry which had a strong majority in Parliament, would be to strike a blow which it is almost impossible to suppose. We do not believe that Queen Victoria herself, in spite of the popularity and respect by which she is surrounded to, a greater extent perhaps than any of her predecessors, would ever have recourse to such a measure. What would be thought if she should venture to reason thus?" (Apply the reason to Quebec, and you will at once see the pregnancy of this passage.)—'The Whigs are in a majority in the existing Parliament, but I think the country would favor a Tory Administration; let us therefore dissolve Parliament, and see whether the country will not elect a Parliament of opposite opinions to those which prevail in the present Parliament.' What would be thought of this? No Englishman can dream even of a catastrophe of this nature, but to them it appears to belong to the phenomena of a world altogether different from that which he inhabits. In practice in England the Sovereign considers himself obliged to follow the advice of the Ministry which the House of Commons desires to maintain in power. All prerogatives at variance with this principle have fallen into disuse, but the Sovereign may accord to the Ministry the opportunity of securing, by an appeal to the people, a majority which is denied it in the House of Commons, but to strike from behind, so to speak, and strangle by means of an appeal to the country a Ministry sustained by Parliament, would be an event which no longer enters into the calculation, although in former times instances of this occurred in our annals"

No stronger passage could be written, and it could be written by no stronger authority than by Mr. Bagehot. I read you, sir, a long passage as to the difference between the legal prerogative and the constitutional exercise of it, from Freeman, in his "Growth of the English Constitution," which has just come out, as you know, and I shall only read you one short sentence, which shows that he agrees in every respect with the language of Mr. Bagehot:—

"The written law leaves to the Crown the choice of all Ministers and agents, great and small. Every appointment to office and dismissal from office, as long as they have committed no crime which the law can punish, is a matter left to the personal discretion of the Sovereign, but the unwritten law, or the unwritten Constitution, makes it practically impossible for the Sovereign to keep a Minister in office when the House of Commons does not approve, and it makes it almost equally impossible to remove from office a Minister when the House of Commons does approve."

But, sir, we cannot do better than quote what has been quoted again and again, and I feel that my remarks on this occasion would be imperfect unless I quoted an authority which we have to-day admitted to be an authority, the authority of our respected Governor General. What said the Earl of Dufferin, our Governor-General, at the time (in 1873) when he was at Halifax?—

"My only guiding star in the conduct and maintenance of my official relations with your public men is the Parliament of Canada. I believe in Parliament, no matter which way it votes, and to those men alone whom the deliberate will of the Confederate Parliament of Canada may assign to me as my responsible advisers can I give my confidence. Whether they are heads of this party or of that party must be a matter of indifference to the Governor-General; so long as they are maintained is he bound to give them his unreserved confidence, to defer to their advice and to loyally assist them with his counsels. As a reasonable being he cannot help having an opinion on the merits of different policies, but these considerations are abstract and speculative, and devoid of practical effect in his official relations. As the head of a constitutional State, as engaged in the administration of parliamentary government, he (the Governor General) has no political friends; still less can he have political enemies. The possession or the being suspected of such possession would destroy his usefulness."

But, sir, we have more than that in our own history: we have got the practical instructions given by Her Majesty to Lord Elgin, at the time when Lord Elgin had before him the difficult question of the position of his Government in 1847. When he came out to this country, what did he find? He found the two Canadas almost at a deadlock; he found the Government of that day, of which I was a member—my first entry into politics—supported by a majority from Upper Canada, when all Lower Canada was banded against it; he found that that Government was formed on what I must say was the unwholesome principle of one race against the other. He was very anxious, for he was

not mixed up with questions connected with the formation of the Government, and all the questionable proceedings of Lord Sydenham with it in carrying the elections of 1841—

Hon. Mr. HOLTON—There was Lord Metcalfe later.

Sir JOHN—I am coming to Lord Metcalfe. Lord Elgin was not mixed up in any way with the *personnel* of the Government which Lord Metcalfe tried to keep up in Canada. He came out here for the purpose of carrying out the principles which they adopted in September, 1841, but which had never, in fact, been worked thoroughly, either by Lord Sydenham or by Lord Metcalfe, and he consulted his chief in the Colonial Department as to his position at that time. You will find what the present Lord Grey, an able Colonial Minister, did then, and some time before, and long afterwards. These were the instructions which Lord Grey then gave to Lord Elgin, and which Lord Elgin carried out:—

"The object with which I recommend to you this course is tha of making it apparent that any transfer which may take place of political power from the hands of one party in the Provinces to those of another, is the result not of any act of yours, but by the wishes of the peop e themselves, as shown by the difficulty experienced by the retiring party to carry on the government of the provinces according to the form of the Constitution. To this I attach great importance. I have therefore to instruct you to abstain from changing your Executive Council until it shall become perfectly clear that they are unab e, with such fair support from yourself "—(mind you, that even then, although Lord Elgin was of opinion that for the good of Canada a new Administration should be formed, in which the French element and the English element should equally, or nearly equally predominate, yet even then the instructions to Lord Elgin were)—"I have, therefore, to instruct you to abstain from changing your Executive Council until it shall become perfectly clear that they are unable, with such fair support from yourself as they have a right to expect, to carry on the government of the provinces satisfactorily, and to command the confidence of the Legislature."

These authorities are, I think, sufficient to prove the case that in England the power of dismissal of a Government having the confidence of Parliament is gone forever, and that if it is gone there, it ought never to be introduced in a colony under the British Crown. But, sir, if you will look at the causes—if causes they can be called—why the Administration was changed at Quebec, you will find that all the objections are taken by the Chief of the Executive to the legislation of his Ministers, and not to the administrative acts of his Ministers, not to anything that they had done. It is true that he quotes an act of administration respecting the appointment of a councillor in Montmagny. That does not appear, however, in the case laid before Parliament, and we have no right, in one sense, to look at it or quote it at all, because the case of the Government and his advisers must be governed by the paper laid before the Legislature of Quebec before its prorogation; but for the purpose of illustration I will take the only act he complains of in administration, and this was that this councillor was appointed by the Crown instead of being elected by the people. The circumstances were that there was a real or supposed irregularity in the appointment. The Attorney-General reported that the appointment was null and void, that the Crown by law had the power to fill up the vacancy. Filled it was, on the report of the Attorney-General, and the Lieutenant-Governor sanctioned it, but afterwards he thought that he was wrong, and he pressed that opinion. The Attorney-General still held to his opinion, but the First Minister yielded to the pressure brought upon them by the Lieutenant-Governor, and they took his opinion upon it, and the appointment was cancelled, and yet it was actually made a charge, apparently made a charge against the Administration, that they took a step on advice of the Attorney-General, but afterwards, on the head of the Executive remonstrating with them, in deference to his opinion they took his advice. With that single exception, it occurs to me, from my recollection of the paper, that all the objections made to the course and action of the DeBoucherville Government were that there was a difference of opinion as to the legislation which was carried in the Quebec Legislature. Now, sir, there is a distinct difference been acts of administration and acts of legislation, and that, I think, will be obvious from the nature of the case. The Sovereign is the chief of the Executive; the Crown, with its advisers, is appointed to carry on the administration of affairs, public or executive, and to administer matters. The Crown, it is true, nominally is a branch of the legislative power, but it has really ceased to be a branch of the legislative power. There is a mighty distinction, then, between the legislation and the administration of Ministers, and you can well see the reason of the difference. With the single exception of matters involving a charge upon the people, any member of this House, whether he is a member of the Ministry or not, can introduce a measure, any member of the Quebec Legislature could have introduced an Act stating that if these municipalities did not pay up, there would be no necessity of going to the Courts, and the Governor-in-Council should take summary proceedings to enforce their obligations; any member could have done it, and if the House chose to carry it, then the Ministry would be obliged to yield, and not only that, Mr. Speaker, but if that legislation, no matter how important it may be, is brought before Parliament, it is a contempt of the privileges of this House for any man even to quote or to suggest what the opinion of the Crown is respecting any political question. But it so happens that all the changes that have taken place in England, except two, have been on questions of administration, or questions of want of confidence in the capacity of the Government to administer affairs. Only two instances are known since the time of George III. until up to this moment, when there was

a dismissal or resignation of the Ministry in consequence of the difference between the Crown and the advisers of the Crown on matters of legislation, and these were on a similar question, that is, on the question of Catholic disability. The dismissal of Lord Melbourne was founded on the opinion of the King that he could not satisfactorily administer affairs, but no difference of opinion, that is, no question as to legislation, arose at all. The only two instances, as I said before, in which Ministers were dismissed on account of a difference of opinion between the King and his advisers, on matters of legislation, were in—no, there were three cases. In the first case there was the Mora bill; it was objected to by the King because it deprived him, as the chief of the Executive, of his patronage as chief of the Executive. When he objected to the Catholic emancipation bill in 1801. Then Mr. Pitt had promised, and he forced Pitt to resign because Pitt would adhere to the promise which he had made to the Irish people at the time of union in 1800. The next dismissal on account of legislation was when Lord Grenville was dismissed, in the manner which I have already mentioned, because he would not sign the pledge never afterwards to bring up a question of allowing Catholic gentlemen to hold high commands in the British Army There were only three instances, and they were instances only to be mentioned, to be considered, to be cited, to be pointed at as outrages on the British Constitution. There was this difference, as it had been conveyed to poor old George III by the Chancellor, the head of the English Church, the Archbishop of Canterbury: that he would be committing a breach of his Coronation Oath if he allowed such legislation. Lord Melbourne, then Mr. Dundas, declared that such an allegation was absurd. When he swore, as King, that he would preserve the rights of the Protestant Church as by law established, it meant that he would defend those rights as by law established, but if the law changed, then he must defend them as altered. The answer of the King, which was well known, was that he did not want any Scotch metaphysics; that he had taken the oath, and was bound by his conscientious scruples. We may regret that he had that conscientious scruple, because it has been the cause of much misery and misfortune to the United Kingdom of Great Britain and Ireland; it has been one of the principal causes why England and Irelend are not now one in heart and feeling, as Scotland and England have been ever since 1700. Still, we must have respect for the conscience of the King. But I point out to the House that, with the exception of the cases I have quoted, cases not to be repeated, but cases to be held up as warnings, that British Legislatures and people should never fall into committing the same mistake again. All the causes of dismissal and of forced resignation were on matters of administration. Some gentleman has handed me this paper:—"What of Sir Edmund Head's refusal of a dissolution to the Brown-Dorion Government?" I am not bound to defend Sir Edmund Head, but my answer is this:—Sir Edmund Head, at the time he sent for Mr. Brown, told Mr. Brown he was going to charge him with the formation of a Government, but Mr. Brown must understand that he must not suppose that if he did form a Government he would have the right of dissolution as a matter of course; that after the Government was formed he would have reasons given for it, and then he would judge for himself. The Sovereign of the day can send for any person he likes, and can charge that person with the formation of a Government, stating on what conditions he could form it.

Hon. Mr. Mills—That is not consistent with Bagehot.

Sir John—I say it is. The Sovereign can attach certain conditions to the power given to a member to form a new Ministry. The only power the Crown can exercise personally is that of attaching conditions to the power to form a Government. Sovereigns have again and again in English history given permission to form an Administration on certain terms. If the person did not choose to accept the terms, the Sovereign must form an Administration and get the confidence of Parliament. Sir Edmund Head in this case told Mr. Brown that he must not understand, if he accepted office, that he was to get a dissolution as a matter of course, and that such would be granted only after sufficient reasons to convince him as to its necessity were given.

Hon. Mr. Mackenzie—He was working in accord with Parliament.

Sir John—You say he was working in accordance with the majority of Parliament? I was arguing that matters of legislation stood on quite a different basis from matters of administration. As a general rule the Crown did not interfere in matters of administration, but left these to Parliament, and the only instances in which the contrary had been the case are those I have quoted, which are precedents not to be followed, but which are held up by all constitutional writers as infringements on the true principles of the British Constitution. Not only was that held to be the case when Pitt took office, but a resolution was moved, in consequence of its having been reported through the country that the King was against the Portland and Fox coalition Government, and against the India bill, by Mr. Baker, on December the 17th, 1783, which, after denouncing secret advice to the Crown against responsible Ministers, and the use of the King's name, set forth that "it is now necessary to declare that to report any opinion as a pretended opinion of His Majesty upon a bill or other proceeding, with a view to influence the vote of the members, is a high crime and misdemeanor, dangerous to the honor of the Crown, a breach of the

fundamental principles of Parliament, and subversive of the Constitution." The motion was carried by 133 to 80, notwithstanding the opposition of Pitt, who was ultimately successful in the struggle, although, according to our present views of constitutional principles and laws, he was altogether wrong in the course he pursued on that occasion. Why, it is impossible that the same principle can apply to acts of administration and acts of legislation. I tried it the other day in this House. The hon. Minister of Justice introduced a bill respecting penitentiaries, and I rose and asked him if the Governor-General had assented to the measure. He said no. He looked at the Premier, and the Premier looked at him and said to me, "I don't think it is necessary." I said, "Neither do I, but the Lieutenant-Governor of the Province of Quebec thought it was necessary that he should be consulted about all measures."

Hon. Mr. MACKENZIE—The right hon. gentleman is not now quoting me quite correctly.

Sir JOHN—I think so

Hon. Mr. MACKENZIE—I thought the right hon. gentleman referred to some financial part of the scheme when I said it was not necessary. I referred wholly to the usual sanction for bills.

Sir JOHN—He thought of no financial clause in it requiring the previous assent of of the Crown.

Hon. Mr. MACKENZIE—Every bill the Ministry introduced has the assent of the Crown.

Sir JOHN—I have been a member of five administrations; I have sat under five Governor-Generals—Lord Elgin, Sir Edmund Head, Lord Monck, Lord Lisgar and Lord Dufferin, and I never heard that doctrine proclaimed before. We know perfectly well that the Governor-General, as the Queen can if she chooses, can send for the Ministers and say, "I do not like that bill, and I would like to discuss it with you; I think you must modify it or hold it over." The Sovereign can thus interfere if he chooses, but practically he leaves all legislation to the country. The proof of that is found in the fact that any member of the Opposition, in all matters excepting those connected with finance, which must be preceded by a message from the Crown, were just as competent to introduce every Ministerial measure as hon. gentlemen on the Treasury benches, and as competent to amend any measures. The House saw the other day a bill introduced by the hon. Postmaster-General, to which the hon. member for South Bruce moved an amendment which entirely destroyed and changed the whole aim and end of the bill. The hon. gentlemen accepted it. He did not propose that it should be deferred until he went to Rideau Hall to consult the Governor-General. So it is with all other Government bills. I venture to say that with the exception of the general statement which, of course, is made by the hon. the First Minister at the beginning of the session, as to what is contained in the Speech from the Throne, all departmental bills were introduced without the sanction in any shape of His Excellency. Hon. gentlemen opposite will not deny that statement. Yet the whole cause of objection to the course taken by the Quebec Administration was because the Lieut.-Governor did not agree with the policy of the legislation, although that policy was passed and approved by the representatives of the people by a large majority. The Lieut.-Governor allowed his Ministry to introduce their bills; he saw day after day the discussions in the House; every day received the Votes and Proceedings, and in fact laid in wait for his Ministers. He allowed them to bring down the supply bill, and almost allowed them to carry the Appropriation Act; he allowed them to carry through their bill respecting railways, and that respecting the doubling up of the subsidies, and strange to say, the same bill for doubling up the subsidies, which was one of the first causes given why they were dismissed, received the royal assent of the Lieutenant-Governor on the advice of the successors of the late Government. That bill in no way increased the burthens of the people, the subsidy having been voted years before Mr. Letellier was Lieutenant-Governor, and there being a provision that if a portion of the subsidy was not taken advantage of, it could be applied to the benefit of other railways. That was the law before Mr. Letellier was Lieutenant-Governor The act was merely carrying the law into force. The Lieutenant-Governor gave as one of his first reasons for dismissing his Ministers that they had passed the law without consulting him; yet it was by the advice of Mr. Joly that it was now the law. As an hon. member near me says, Mr. Joly was President of one of the roads, and voted for the measure regarding which he advised the Lieutenant-Governor to dismiss Mr. DeBoucherville. Actually he who voted to support the measure, and was in one sense interested in it, and was now responsible for the measure becoming law, was a party to the dismissal of Mr. DeBoucherville, because he had introduced the bill and carried it through the Legislature. He approves of the Act, but procures the dismissal of the man who obtained its adoption. The Stamp Act which was introduced last session was a very important one. Before the hon. Minister of Inland Revenue got his amendment bill through the committee, he must not have known his own progeny. It was like the gun which had a new lock, stock and barrel. Was the assent of the Governor-General obtained to the bill or to any amendments made on it? And yet, forsooth, the Lieutenant-Governor of Quebec was to decide and govern what the legislative policy of the people is to be! He, like Jupiter, shakes his ambrosial locks, gives his nod, and the legislators have merely

to register his decrees. No such thing could happen in England. The Queen knows too well what her duty is; she keeps a sharp and watchful eye upon the foreign policy. No one can read the Memoirs of the Prince Consort without feeling what a great woman—great stateswoman, if there is such a word—she is, and with how watchful and patriotic a care she guarded and studied and considered the administration of the nation. But, as regards the legislation of the nation, she left that as it ought to be left, to the people, through their representatives. She was satisfied with the old sliding scale of the corn duties in the old corn law times; she was satisfied with the fixed duty of 4s a quarter declared by Lord John Russell, and with the free trade in corn declared by Sir Robert Peel; she was satisfied with the sustaining of the Established Church in Ireland, so long as her Ministers advised her so to maintain it; she was satisfied with the disestablishment of her own Church, of which she was the head, as soon as the representatives of the people in Parliament decreed it; she received with like equanimity a reform bill from one Government or a retroactive measure from another. She knows it has ceased to be a portion of the attributes of the Crown to possess any power in legislation, and the strongest proof of that is that the power of veto is gone, and that while the Sovereign is still the head of the Executive, she is only nominally the head of the Legislature; she cannot veto a bill. It has not been done since Queen Anne. It is as effete as the Dodo. It is no part of the constitution of England; this is laid down by all the writers. I shall quote again from Mr. Bagehot, page 143:—

"To state the matter shortly, the Sovereign has, under a constitutional monarchy such as ours, three rights: the right to be consulted, the right to encourage, the right to warn, and a King of great sense and sagacity would no others. He would find that his having no others would enable him to use these with singular effect. He would say to his Minister: —'The responsibility of these measures is upon you; whatever you think best shall have my full and effectual support, but you will observe that, for this reason and that reason, what you propose to do is bad; for this reason and that reason, what you do not propose is better. I do not oppose, it is my duty not to oppose, but observe that I warn.'"

And that is the duty of a Sovereign. If any legislation carried on by a Ministry having a majority in Parliament—and, of course, they cannot carry it on without that—was opposed to the view of the Sovereign, he had the right to send to his First Minister and say, "I will continue to support you, but I have had experience for years, and I warn you;" and that is substantially the only power he has in matters of legislation. On page 125 Mr. Bagehot says:—

"The popular theory of the English Constitution involves two errors as to the Sovereign, first, in its oldest form, at least, it considers him as an estate of the realm, a separate co-ordinate authority with the House of Lords and the House of Commons. This and much else the Sovereign once was, but this he is no longer. That authority could only be exercised by a monarch with a legislative veto. He should be able to reject bills, if not as the House of Commons rejects them at least as the House of Peers rejects them.. But the Queen has no such veto; she must sign her own death warrant if the two Houses unanimously send it up to her. It is a fiction of the past to ascribe to her legislative power; she has long ceased to have any."

Nor can the House of Lords interfere effectually if the House of Commons declares in favor of the policy of the Government of the day. May says:—

"The responsibility of Ministers has been still further simplified by the dominant power of the Commons. The Lords may sometimes thwart the Ministry, but they are powerless to overthrow a Ministry supported by the Commons, or to uphold a Ministry the Commons have condemned. Instead of many masters, the Government has only one, that is the people, nor can it be said that master has been severe, exacting or capricious."

Every Ministry is liable to make mistakes in appointments; every Ministry is liable somewhat from the mistakes or errors, or the worse than errors, of their subordinates; though they may not be responsible for them, still they may be, to a certain degree, responsible in public opinion for having made a wrong choice, but until they condone the offence, until they approve of the offence, until they say that we approve of the offence, until they say that we approve of that policy and will support them in that policy, they are not justly amenable to attack. God forbid that I should do, for as yet I know not that the present Ministry, at the head of which is the hon. member for Lambton, is liable to the charge, liable to attack or liable to censure for anything that has taken place. As yet I do not know this, and therefore I will not say it. But it depends upon hon. gentlemen—whether it be the head of a Liberal Government upon whom the mantle of Robert Baldwin and others has fallen, or be the distinguished leader of the Liberal party of the country, but I do not believe that that hon. gentleman will sacrifice those great principles for the sake—it may be a warm-hearted, it may be, a kindly, and perhaps, in some respects, a politic act to do, looking at the mere temporary advantage of an election, but I do not believe that that hon. gentleman will turn his back upon those principles which he has so long professed, and which have been the chief credit, the chief honor of his party. Mr. Speaker, I move that resolution. (Immense cheering)

SPEECHES

ON THE

Public Expenditure of the Dominion,

BY THE

HON. D. L. MACPHERSON,

SENATOR OF CANADA.

DELIVERED IN THE SENATE, OTTAWA, DURING THE SESSION OF 1877.

With Introductory Reflections, addressed to his former Constituents, the Electors of North Simcoe, Grey and Bruce.

"The situation of this country is alarming enough to rouse the "attention of every man who pretends to a concern for the "country's welfare."—Junius.

TORONTO:

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1877.

TO THE ELECTORS

OF THE

Counties of North Simcoe, Grey and Bruce,

CONSTITUTING FORMERLY

THE ELECTORAL DIVISION OF SAUGEEN.

GENTLEMEN,

At the request of members of both Houses of Parliament, I am induced to publish, in pamphlet form, the speeches delivered by me in the Senate during last Session upon the state of the Dominion, and especially upon the increase of that portion of the public expenditure which is largely within the control of the Administration.

I was appointed to the Senate at Confederation in consequence of being then your representative in the Legislative Council of United Canada. I have, therefore, always felt that it was to you—to the trust you reposed in me—that I am indebted for a seat in the highest Legislative Body of the Dominion. I continue to entertain a warm regard for your welfare, and to be ever ready to do all in my power to promote your interests.

Under these circumstances it seems to me fitting that I should address to you, and through you to the people of the Dominion, some reflections introductory to those speeches.

I may premise that I have eschewed partizanship in Parliament. I have discharged what I considered the duty of a Member of the Upper House—namely, to support or oppose measures as I believed them to be for the advantage or otherwise of the country, regardless of the Government under whose auspices they were submitted to Parliament. I laid down this rule for my guidance when I first entered Parliament as your representative, and I am not conscious of having departed from it in any instance.

I welcomed the change of Government in 1873. I entertained great respect for Mr. Mackenzie. I looked upon him as a man of marvellous merit, whose rise was creditable, not only to himself, but also to the institutions of our country. I placed full faith in his truthfulness. I believed in the sincerity of all he had said against political corruption during the many years he

was in Opposition. I believed economy to be, with him, an instinct. I felt persuaded that any Government, of which Mr. Mackenzie was the head, would be distinguished for political purity and financial economy; and it was with satisfaction I saw him succeed to power at a time when the country was about to enter upon the construction of great public works, involving enormous expenditure; confident that, with his practical knowledge, in addition to the other and higher qualities he possessed, he would take no step without due deliberation, and, especially, would not commit the country to engagements inconsistent with its perfect financial safety, or which would require the imposition of new taxes upon the people.

With respect to Mr. Blake, for a long time I looked upon him as one from whom Canada had much to hope. He had inherited a name and station; was endowed with talents of a very high order; he had had the opportunity of cultivating those talents, aided by the highest educational advantages, and his studies were guided as were those of few men in this country. He stepped, it may be said, at one stride, from the law-student's desk to a high place in the first rank of his profession, and then rapidly rose to distinction and fortune. He entered public life while still a young man, and displayed rare aptitude for its work. He professed the loftiest and purest patriotism. His denunciations of political corruption, especially of anything savouring of Coalition, (which he stigmatized as corruption in its most obnoxious form,) are among the most eloquent utterances ever delivered in Canada. Self-seeking and meanness he denounced with withering scorn. Who could doubt that Canada had much to hope from so highly gifted a son? Mr. Blake entered public life when many of the active public men of the day—who have since passed away—were descending in the vale of years. I confess that I placed implicit trust in all Mr. Blake's early professions—I believe, even now, they were made, at the time, in all sincerity. I cannot imagine, circumstanced as he was, that he could have any motive for entering the Government, other than a pure desire to serve his country.

It is true there were incidents connected with the overthrow of the Government of the late honest Sandfield Macdonald, that surprised and startled the observing and thinking among the friends and admirers of Mr. Blake. His share in that episode was, however, forgotten, and he retained the high place he had won with the general public.

When Mr. Mackenzie and Mr. Blake became the leaders in the Government of the Dominion—although some of the means by which they attained power were of a character that can never receive the approval of honourable men, but will be regarded as more and more unfortunate as time carries us away further from the events—still, I say, when Mr. Mackenzie and Mr. Blake became the leaders of the new Government in 1873, the feeling in the country was almost universal that their administration would be conducted upon the principles of political purity, departmental retrenchment, and financial prudence, which they had for so many years persistently and eloquently professed.

I shared in this opinion, and they had my independent support, until I became satisfied that they were violating the pledges of purity, reform and economy which, when in opposition, they had given to the people.

Canada is difficult to govern. The variety of races and creeds, the newly formed union of Provinces formerly separate and independent, the want of homogeneity, unavoidable in a new country, where many of the inhabitants are immigrants of comparatively recent arrival, are among the most apparent sources of difficulty in the administration of affairs, and much allowance should be made for the Government.

I made great allowance for the Government of Mr. Mackenzie. I could not but regret the early retirement from the Cabinet of some of its ablest members, to occupy high and permanent offices. I know it is difficult, under our institutions, to avoid such incidents, but it is disappointing to see men who have devoted many years to entreating the people to give them an opportunity to govern better, if not to save, the country, soon after such opportunity is afforded them, retiring to permanent office; useful and high office, no doubt, but for which other men might have been found equal, while ripe statesmen are always scarce. When Mr. Dorion retired it was of course impossible to replace him in the Cabinet with a statesman of equal experience, from the Province of Quebec.

Mr. Blake, after a brief period of retirement, rejoined the Government, assuming the portfolio of Minister of Justice; and eventually Mr. Cauchon became the colleague of Messrs. Mackenzie and Blake. From that time the Government has been properly known as the Mackenzie-Cauchon Coalition.

I believe the formation of this Coalition was the most severe blow ever inflicted upon the moral sense of the people of this Dominion, and especially of Ontario; for not only was Mr. Cauchon known to them as one whose introduction into the Government rendered it unquestionably what they had been taught by Messrs. Mackenzie and Blake to abhor—a Coalition—but Mr. Cauchon, politically and personally, had been held up to public execration by the organs of the present Government. I shall not enquire whether this was deserved, but I may say without fear of successful contradiction—even if he is as black as he was painted by his present friends—that, compared with others of Messrs. Mackenzie and Blake's colleagues, Mr. Cauchon is in intellect a giant and in virtue immaculate.

If Mr. Blake's professions were sincere in the past, his intimate association with some of those who are his present colleagues, must be to him a very abyss of political degradation. And why has he allowed himself to be thus dragged down? Mr. Blake's *prestige* in the country four years ago was so great, and his services in the Government so indispensable to his party—as they are still—that Mr. Mackenzie and he could have demanded the support of their followers in the fulfilment of their life-long pledges. He should have said, in effect, to the self-seeking and unscrupulous, in words of burning eloquence such as I cannot command:—" Mr. Mackenzie and myself are true men. " We intend, in governing this country, to redeem the pledges we gave to the

" people, and of which you were the witnesses. Unless you will support us " in doing this we shall resign the reins of Government to other hands, but " we shall retain our self-respect and the respect of all right-thinking men, " and without these we should indeed be abject, and could render our country " but poor and halting service."

Can it be doubted, had he addressed in this spirit, and in the manner of which he is so accomplished a master, the great majority which was returned to the House of Commons to support the Government, that that majority would have rallied to the support of their leaders? If there be any doubt, where is the patriotism and political morality of the party in power?

In the intimate association that must necessarily subsist among the members of a party carrying on the Government, it is impossible that a few, or even one, can for any length of time remain better or purer than the others. One of two things must occur if they continue in association: either the unselfish, the patriotic, the pure, if but one, will leaven the mass, lift it up and place it on a level with himself, or the mass will draw him down to their own level.

The latter unfortunately appears to have been the fate of Messrs. Mackenzie and Blake. It is to be deplored, in the interests of the country, that they should have been guilty of political recreancy. They have struck a blow at the purity of public life and at the *morale* of the whole Commonwealth from which it cannot recover during the present generation. In their case, as in all like cases, the first downward step was irretrievable and fatal; their subsequent descent, until they landed in the disgraceful scandals of the session just closed, was rapid.

Mr. Mackenzie's political tergiversation is matter for profound regret, indicating as it does a disregard for solemn pledges on the part of one of the loudest professors of political purity which the country has produced. It was begun, too, at a time, I may say, when he revelled in the plenitude of power, receiving the support of the people and their representatives with an unanimity never before enjoyed by a Prime Minister of Canada. Mr. Mackenzie, therefore, cannot urge in extenuation of his backsliding even the poor plea of weakness.

Mr. Blake was looked upon as the young Bayard among the public men of Canada, to whom office would be a burden only to be undertaken and endured for the opportunities it would afford him of serving his country, and to be relinquished the moment it became a question between office on the one hand, and consistency, self-respect and honor on the other. It was supposed that his only ambition was to serve his country and merit the approval and confidence of his countrymen. Mr. Blake's high character and known independence gave him the power, had he chosen to exercise it, not only to frown down all incipient self-seeking and meanness among the greedy of his supporters, but to prevent, or at least stop when discovered, flagrant and scandalous violations of the Independence of

Parliament Act. Such violations were charged in some cases against leading members of his party, and in connection with the other cases the Government itself is more seriously compromised than any non-official member of Parliament, as in all cases of real turpitude the Government was necessarily a party. But Mr. Blake did not so exercise his power.

Had such scandals as were brought to light last session been established four or five years ago—that the Speaker of the House of Commons, the arbiter in that House between the Government and the Opposition, on whose impartiality the minority is dependent for justice and fair play, the guardian of the rights and privileges of the Commons—had it, I say, been established four or five years ago that the Speaker had been for four sessions of Parliament a Government contractor, and, in that capacity, had received large sums of public money in violation of the Independence of Parliament Act, would not Mr. Blake have made the country resound, and very properly, with his fervid eloquence in denunciation of so brazen and corrupt a scandal?

When it was discovered that the Speaker of the House of Commons and many members of Parliament were involved in these scandals, what said Mr. Blake? No word of condemnation fell from his lips. How could Messrs. Blake and Mackenzie condemn that in which they as members of the Government were participators? It need not, however, surprise Mr. Blake if, in the minds of those who mark his silence now, doubts arise of the sincerity of his lofty-toned, but unjust and cruel, diatribes in 1871 against Colonel Gray, then of New Brunswick.

The scandals revealed last session were the grossest ever committed in Canada—I do not except the Pacific Railway Scandal or any other. I need not tell you that I am no defender of what was done with respect to the Pacific Railway contract in 1873. It is well known, however, to every man who has been a Member of Parliament, or a candidate, as well as to every elector in the country, that spending money at elections in those days was regarded as a pardonable act of illegality. But, I ask, would any one think of comparing in enormity such expenditure with the scandals unearthed last session? Consider the culminating scene in the House of Commons on the last day of the session. The Committee of Privileges and Elections deciding that the Speaker had been a Government contractor, had therefore vacated his seat, and reporting their decision to the House—but the Government preventing the consideration of the report by its presentation being so timed as to be simultaneous with the summons of the Governor-General to the Prorogation.

The House of Commons which by a discreditable manœuvre thus burked the consideration of a report that told the world its Speaker had been paid by the Government nearly Twenty Thousand Dollars, in violation of the Independence of Parliament Act, and therefore had no right to the seat he occupied, was the same House which only a fortnight before had adopted the report of a Committee calling upon Sir John Macdonald to pay back Six Thousand Six Hundred Dollars that he had spent in

the public service. Was not this a rare and humbling exhibition of straining at a gnat and swallowing a camel ?

The Government were not only necessarily active participators in these scandals, but, by the course they pursued in burking the inquiry and otherwise, they compelled all their supporters in Parliament to become morally participators with them.

When Messrs. Mackenzie and Blake, who for so long a time professed to keep vigilant watch over the people's money, who arrogated to themselves the places of Tribunes of the people,—when they proved not only faithless to their pledges generally, but participators in political offences of the heinous character brought to light last session, it became the duty of every man who was in any position to do it, to call attention to them and point out that those offences were in their nature more debasing, and in their evil tendencies more wide spreading, than any previously known to this country.

It is painful to me to write in these terms of the Government of our country, and especially of Messrs. Mackenzie and Blake, two gentlemen for whom I had entertained great respect and in whose professions of political integrity I at one time placed confidence. It was not pleasant to discover that I had been deceived by them, but so it was, and I declared it from my place in the Senate more than a year ago. Many were deceived as I was, and I know that what I am now proclaiming, as from the house-top, thousands are confessing at their firesides in friendly interchange of confidence with their neighbours.

When men set themselves up as leaders of their fellow-men, basing their claims mainly upon their pretended higher political morality and purity, as Messrs. Mackenzie and Blake did, and when it is discovered that the chief difference between them and those they assailed was in the garment the assailers wore—the cloak of political hypocrisy—it becomes a duty to exhibit them to the people in their true character.

Mr. Mackenzie and Mr. Blake took their stand, as it were, in the political market-places and thanked heaven that they were not like other men, especially not like that vile offender, Cauchon; and when he came between the wind and their purity, they, with averted and upturned heads, went away, saying that his sins were " rank and smelt to heaven." But they are now the colleagues and bosom friends of Mr. Cauchon, and thus show that they are more guilty than he, by, at least, one sin,—the odious sin of hypocrisy.

Again, we can picture them in the same market-places, beating their breasts and, with real eloquence, pouring out their expressions of gratitude that they were not only better than mankind in general, but especially better than that irreclaimable sinner, John A. Macdonald, who, in addition to habitually committing all the sins forbidden by the Decalogue, was a " Political Coalitionist," an offence for which, according to their code, there was no pardon.

Now, look at their own Government—a Coalition ! Yes, the most heterogeneous and unprincipled Coalition that ever existed in this country, chiefly

composed of men who were brought together, and are kept together, by no higher principle than selfishness, the salaries and perquisites of office.

When they were struggling for office, Sir Francis Hincks, in debate, described their party as "an organized hypocrisy," and it would be difficult to characterize it more appropriately and truthfully. After having been so deceived, will the people ever again place confidence in the asseverations of professors of political purity?

Now that I have shewn that these gentlemen have utterly repudiated and thrown to the winds all their professions and pledges of political purity, let us endeavour to discover what they have done as statesmen and administrators. Their only attempt at what may be called high statesmanship was the negociations in 1874 and 1875 with British Columbia, and no Canadian can read the Orders in Council and despatches of his Government upon those occasions without a blush.

What can be said for them as mere administrators? They succeeded to power under most advantageous circumstances for themselves. Their triumph at the polls was unprecedented. In Parliament their measures were not only unopposed, but almost uncriticized, so overwhelming was their majority, so beaten and dispirited was the Opposition. They came into office, after twenty years' discipline in Opposition, proclaiming during that whole period that they had a policy, the introduction of which would be of incalculable advantage to the country. If they had had a policy, they certainly had a favourable opportunity of introducing it.

The Dominion, in all its Provinces, has now for some years been suffering from commercial depression and financial stringency, unexampled in severity in the memory of the active men of to-day. These have gone on increasing in intensity, aggravated by the failure of the crops of last year, until now, it may be said, that the sound chiefly heard in our streets is the voice of complaining. The farmers, in many parts even of our favoured Province of Ontario, have been compelled to import large quantities of corn for provender, and in some districts even wheat for bread. The aggregate amount of money borrowed by them, and secured by mortgages on their homesteads, during the last nine or ten months, is undoubtedly larger than was ever before borrowed by them in the same space of time. The manufactories of the country are unprofitable or closed; the lumberman is either selling his lumber at a loss or holding it to sell, perhaps, at a still greater loss; the country merchant, unable to collect his debts, is, in turn, unable to pay the wholesale merchant, and, with deplorable frequency, both are launched into insolvency.

It may be said that Loan Societies and Official Assignees are the only classes who are at present doing a prosperous business. Such has been the universal and great shrinkage in the value of property of every description that there is scarcely a man in the country who is not poorer to-day than he was a year ago. The Government, unfortunately, has evidence of the truth of this in the Department of Public Finance, that trusty

barometer of the prosperity of the people. Four, five, and six years ago, the annual revenue invariably exceeded the most sanguine estimates of the then Ministers of Finance; now the revenue falls below the most cautiously prepared estimates. Governments cannot increase in riches so long as the governed are growing poorer. This is a truism which our Government would do well to lay to heart.

The circumstances of the people are not such at present as to render the prospect of increased taxation agreeable; but we shall have to bear increased taxation. The largely augmented expenditure of the present Government, continued in the face of a diminishing revenue from the ordinary indirect sources, must, I apprehend, render direct taxation an inevitable and early necessity. This is a matter that affects you closely, for if direct taxation has to be resorted to, a land tax will in all probability be one of its features.*

Now, while the country has been suffering as I have described—and no one can say that the picture is overdrawn—several sessions of Parliament have been held, each at a cost to the people of this Dominion of about Six Hundred Thousand dollars. And what has Parliament done, or attempted to do, to revive the languishing, the almost extinct industries of the country, or to alleviate the existing depression, or even to inspire the desponding with a ray of hope? It has done nothing, and attempted nothing. On the contrary, the Government declared that it was not in the power nor was it the function of the Government or of Parliament to alleviate by legislation the widespread suffering, and said, substantially, that the depression had been produced by overtrading, and could only be relieved by a wholesome contraction of trade.

Is it then to be admitted that free and constitutional Governments have it not in their power to do aught to advance the interests of the countries they govern? Is there no science in statesmanship? Are Cabinet Ministers only Cashiers to receive and disburse the Revenue, and Officers of the law to preserve the peace? If these are their only duties, our Ministers are too many in number and vastly over-paid. These lower functions are all that our Government profess to discharge, but I think there are much higher ones which they might exercise with signal advantage to the country; but they must see these latter ones before they can exercise them.

If, in the opinion of the Government, Parliament could not, by legislation, do anything calculated to revive the prosperity of the country, what did it give to the people, during its last session of nearly three months, in exchange for Six Hundred Thousand Dollars of their money? Few Acts of importance were passed, and the country would not have been much, if at all, the loser if it had had to wait for most of these for some years to come.

The power and ingenuity of the Government seem to have been exhausted

* If direct taxation could be made to bear equitably upon the whole people of a country it would be the most economical and best mode of raising revenue, but political economists have not yet devised a system of direct taxation at once equitable and practicable.

in efforts to injure the character of Sir John Macdonald. This appears to have been the only policy of last session. I can discover trace of no other. True, it was not ennobling to the actors nor calculated to benefit the country or exalt its name at home or abroad. Happily for the credit of Canada, these efforts failed in their object.

Much of the time of the Committee of Public Accounts of the House of Commons was spent in what I think may be called the trial of Sir John Macdonald. The Minister of Justice did not think it unworthy of his high office to rise in that Committee (two-thirds, at least, of the members of which were his political supporters, ready to accept his reading of the law), and to arraign and examine Sir John Macdonald, his predecessor in office, for having misappropriated or spent without proper authority Six Thousand Six Hundred Dollars of the Secret Service Fund.

The whole proceeding was a cruel indignity offered to that gentleman. His pursuers should have remembered that he had been a Minister of Canada for a quarter of a century, trusted by the people with the whole destinies of the country,—destinies which he had guided with great success, the people enjoying unexampled prosperity, every intelligent and industrious man growing richer and richer year by year, while it is well known that Sir John Macdonald left the public service a poorer man than he entered it.

It is also known that the emoluments received by Cabinet Ministers now are about one-half larger than were received by them during his time, except for the last few months of his public service.

I desire to refer to another matter, one in which my own name came up. During last summer a Royal Commission was issued, ostensibly to enquire into the affairs of the Northern Railway Company (strange to say, after Parliament had commuted the debt owing by the Company), but, apparently, mainly for the purpose of endeavouring to show that sums of money, in all Two Thousand Five Hundred Dollars, subscribed by individual Directors of that Company to a Testimonial to Sir John Macdonald (of which I was Treasurer), and paid for them, by the Company, could be made to appear by legal sophistry to belong to the Government.

This inquiry was followed up by a Committee of the House of Commons, before which it was established that the Testimonial (set on foot when he was supposed to be on his death-bed) was for the benefit of his wife and family, and that Sir John did not know who any of the contributors were.

The object of the Government in all this must have been to manifest ostentatiously their jealous care, faithful guardianship, and sleepless watchfulness of the people's money. If a scrupulous care of the people's money had characterized their administration of public affairs through all its ramifications, we might admire their stern consistency, and their fidelity to their pledges of retrenchment and economy.

To assist you in determining whether their administration has been governed by a proper consideration for the means and resources of the country, —by that consideration which their pledges entitled the people to expect,—I

will submit to you a few facts in respect to their management of some of the Public Works, beginning with the

PACIFIC . RAILWAY.

The course of the Government with respect to this great undertaking has been extraordinary and unfortunate. They do not seem to have been governed by any settled policy or plan, and without these they rushed into large expenditure, and committed the country to heavy engagements. They began, not by constructing any part of the main line, but by giving Mr. A. B. Foster a contract for what they called the Georgian Bay Branch of the Pacific Railway. They did this without first surveying the country through which this Branch line was to run, and therefore without an estimate of its cost, or even knowing whether the undertaking could be carried out. When explored, a great part of the country was found to be a barren wilderness, impracticable within any reasonable cost for a Railway, on the line and of the curves and gradients specified in the contract. The project had to be suspended, the contract cancelled, and One Hundred and Nine Thousand dollars were paid to Mr. Foster, for which, so far as I can discover, the country got very little value.* Why this Branch should have been placed under contract so hastily and recklessly, requires a fuller explanation than Mr. Mackenzie has yet given. One thing is certain, the interests of the Dominion did not call for and were not consulted in this transaction.

Then, with respect to the Main Line, the Government saw fit to commence it on the section between Thunder Bay—or rather between Fort William on the bank of the Kaministiquia, six or eight miles from Thunder Bay, on Lake Superior—and the Red River, a distance of 410 miles, through a wilderness, no part of which, worth mentioning, according to the testimony of Mr. Sandford Fleming, Chief Engineer of the Railway, is fit for settlement. Mr. Fleming's evidence upon the subject is in full accord with that of all other persons who have visited the region. It abounds in small lakes, quagmires and rock. Through a considerable part of the country the construction of the Railway will be difficult and costly, there being much rock cutting and some tunnelling. When finished it will only be a summer road, open for five months in the year, and run at enormous loss to the country. Long before it is finished the American line from Duluth to Pembina, on the frontier of Manitoba, is certain to be completed, and will be open *via* St. Paul all the year round.

* This item of One Hundred and Nine Thousand Dollars stands in the Public Accounts as stated above, but it was explained in Parliament that Forty-one Thousand Dollars was the amount paid to Mr. Foster on account of his contract for the Georgian Bay Branch, and that the balance, Sixty-eight Thousand Dollars, was an advance made to him upon Iron Rails, under his contract with the Canada Central Railway Company for building the line—subsidized by the Government—to connect the Georgian Bay Branch with the Canada Central Railway. These Iron Rails were valued at Forty-eight Dollars per ton and three-fourths thereof, or Thirty-six Dollars, per ton were advanced upon them. *Steel* Rails could have been bought deliverable this Spring at Montreal at Thirty-six Dollars per ton.

The Pacific Railway is under contract from Fort William westwards to English River, a distance of 113 miles, and from Selkirk, on the Red River eastwards to Keewatin (Rat Portage) 114 miles, including the costly section, *numbe fifteen.* At Port Savanne, 73 miles west of Fort William, the Railway will connect by the Savanne River with the waters of Lac des Mille Lacs, and of other and smallei lakes, and through them with Rainy Lake and River, and the Lake of the Woods.

It has been represented that the Railway will thus connect with and open for trade and commerce, upwards of 300 miles of water communication.

You can judge of its value as an avenue for trade and commerce when I tell you that the difference in level between Lac des Mille Lacs and the Lake of the Woods is about four hundred and thirty feet, and is overcome by nine portages. The most inexperienced in such matters will at once see that it will be utterly impossible to transport merchandize over this route; and yet this is the route the Government spoke of employing for transporting rails and other materials for the Pacific Railway from Port Savanne westerly. The Government does not appear to have known more of this country, when it plunged into heavy expenditure in it, than it did of the region through which it contracted for the building of the Georgian Bay Branch.

The next work upon which I will say a few words is

FORT FRANCIS LOCK.

When it was expected that the Pacific Railway would follow pretty closely the line of what is known as the Dawson route, that it would connect at Sturgeon Falls with the waters of Rainy Lake and that the chief water stretches (Rainy Lake, Rainy River and the Lake of the Woods) would be utilized for many years as part of the communication to the North-West, I could understand the policy of constructing Locks at Fort Francis, as, with other improvements, they would make navigable in one "stretch" the distance from Sturgeon Falls to the north-west angle of the Lake of the Woods, one hundred and seventy-seven (177) miles, and render unnecessary for a very long time the construction of about the same number of miles of costly Railway. But instead of carrying the Railway along the Dawson or Southern route, the Engineer deemed it better to locate it upon a line which removes it about one hundred (100) miles north of Fort Francis, so that the one undertaking has no possible connection with the other. Moreover the locating of the Railway on the level of Lac des Mille Lacs renders the utilization of the water stretches impossible, because it is separated from them by what is practically an insuperable natural obstacle—its altitude of four hundred (400) feet above Rainy Lake.

The works at Fort Francis, like the Georgian Bay Branch, were undertaken without survey, and without estimate. They cost, up to the 20th December last, One Hundred and Eight Thousand Six Hundred and Seventy-four Dollars, and only a small proportion of the work is performed.

How much has been expended since upon them, I have not the means

of knowing, but when surveys and estimates have been obtained, it will be for the Government to determine whether to proceed with them, or discontinue them and let the country lose the outlay, as in the case of the Georgian Bay Branch. Strange to say, the expenditure is charged against the Pacific Railway.

If these works should be proceeded with, the country will be committed to a further large expenditure for the improvement of Rainy River. This river is the Boundary Line between the Dominion and the United States. It, therefore, would seem but reasonable and just that expenditure made in improving this international communication should be shared by both countries in the proportions in which they are interested. Now that Canada is building a railway through that country, her interest in the improvement of those "water stretches" is very small. The inhabitants of Minnesota are the people who will be chiefly benefitted by the improvement of Rainy Lake and Rainy River, including the lock at Fort Francis. I regard our expenditure there as unnecessary and indefensible.

But surely the whole expenditure between Lake Superior and the Red River is premature and unwise! That section of the Railway will cost not less than Twenty Millions of Dollars; the interest will be One Million of Dollars a year, and with the loss on working the road (which I shall not venture to estimate) will amount to an enormous sum, to be borne by the tax-payers of this Dominion. I may say, my own opinion has always been that we should have been content, for a time, to use the United States lines for our all-rail-route to Manitoba, and begin our Pacific Railway at Pembina, thence to Winnipeg, and on through Manitoba and the North West, combining with its construction a comprehensive and attractive scheme of Immigration, under which Immigrants would be assured of employment and land,—employment first, and land afterwards. The lands retained by the Government in the North West, owing to the settlement of adjoining lands would have been enhanced in value, and their sale would have provided funds to aid in extending the railway as required without overburdening the Dominion Exchequer. In this way the Canadian Pacific Railway east of the Rocky Mountains could have been built as fast as required, for very little money, and our prairie country would have become quickly peopled. A similar course, as far as adaptable to British Columbia, might have been pursued in that Province; and when the Government decided to build the road as a Public Work no reasonable objection could be urged against this policy. Had it been followed, the Dominion, from the Atlantic to the Pacific, would have been more prosperous than it is to-day. We should have been free from the heavy engagements that weigh upon us, and free also from the financial peril that stares us in the face—imminent if not inevitable. Our expenditure to this time upon the Railway would have been comparatively small, and would increase only as might be convenient, for it would be subject to our own control.

As it is, the outlay in connection with the Pacific Railway to the 30th June,

1876, (according to the public accounts) amounts to the large sum of Six Millions Two Hundred and Fifty-four Thousand Two Hundred and Eighty Dollars. This includes the sum of Fifty-one Thousand Four Hundred and Nineteen Dollars paid for the station ground at

FORT WILLIAM ON THE KAMINISTIQUIA,

being, exclusive of streets, about seventy-five acres of land of the town plot of Fort William (a paper town in the wilderness) which the Government bought from their political friends at the rate of about Six Hundred Dollars per acre! Included in the sum of Fifty-one Thousand Four Hundred and Nineteen Dollars, is Five Thousand and Twenty-nine Dollars and Thirty-six Cents, paid by the Government for an unfinished building, said to have been intended for a hotel.

I have seen no explanation of this transaction that justifies it or removes it from grave suspicion of jobbery. The subject was referred to a Committee of the Senate, but too near the close of the Session to permit the completion of the inquiry. The evidence of Mr. Fleming, Chief Engineer, and of Mr. Murdock, the locating Engineer at that point, was obtained. The former testified that the terminus was settled in conference with Mr. Mackenzie, that he (Mr. Fleming) was much surprised at the price paid for the land. Mr. Murdock testified that he located the line under instructions from the Department of Public Works, notwithstanding he had recommended a point nearer to the mouth of the river for the terminus, where the facilities would be greater and where a farm was offered for terminal grounds at $75 per acre.

What is already known in connection with the selection of the terminus on the Kaministiquia renders a searching enquiry into the whole matter absolutely necessary.

From all the information I have been able to obtain, my own opinion at present is, that this terminus of the Pacific Railway cannot permanently remain upon the ground which has been bought and paid for, but that it must be removed either nearer to the mouth of the Kaministiquia, or to Prince Arthur's Landing.

It undoubtedly requires great vigilance on the part of the Government to protect the public interests when large expenditure is in progress, such as that upon the Pacific Railway survey, extending as it does across a great part of the continent, which, between Manitoba and British Columbia, is almost entirely uninhabited. Persons under the title of Purveyors are employed, who seem to traverse the whole country between Lake Superior and the Pacific Ocean, disbursing public money for every conceivable purpose. It may be a necessary but it certainly is an objectionable system, as efficient supervision or audit of the expenditure would seem impossible. The following large amounts were expended in this way during the fiscal year ending on the 30th June last:

At Prince Arthur's Landing on the requisition of N. Bethune, Purveyor	$158,891 50
Paid in Manitoba by cheques drawn by Thos. Nixon, Purveyor.	194,537 45
Paid in British Columbia by cheques drawn by J. Robson, Purveyor	322,888 98
Then for account of St. Francis Lock there are disbursements by N. Bethune	14,212 53
Same account, by John Logan	39,174 46
Various supplies from other parties, chiefly in Toronto	23,142 35

Purveyor Thomas Nixon is probably personally known to many of you who reside in the Township of Proton.

These introductory observations have extended to much greater length than I intended when I took up my pen, but I must not close them without alluding to that colossal blunder of the Government, the purchase years before they were wanted of

FIFTY THOUSAND TONS OF STEEL RAILS.

I think it will be admitted that Governments have no business to speculate with the public funds; that is, they have no right to spend the people's money before it is absolutely necessary to do so. It is no part of their duty to forecast the course of the markets for steel rails, or any other commodity, which the country may want at some future day. The members of our Government are not supposed to have had special training for such work. If they had had they would not have bought 50,000 tons of steel rails in a falling market when the rails were not required, and on the advice of persons interested in selling. Mr. Mackenzie says he acted on the advice of hardware merchants and agents of iron masters—the very men who were interested in making sales, especially in a falling market.

Mr. Mackenzie also says he consulted Mr. Sandford Fleming, the Chief Engineer. Mr. Fleming has had great experience in his profession, but speculating in steel is not in the line of his profession, and I am sure Mr. Fleming does not pretend to have any skill in judging of the probable course of markets.

It is two years and a half since the Steel Rails were bought; no portion of them was required for the Pacific Railway until this summer, and only a small quantity will be wanted during this season. Had the Government not ordered these rails till last autumn, which was as early as they need have done, they could have contracted for the delivery of 50,000 tons at Montreal for One Million One Hundred and Thirty-eight Thousand Nine Hundred Dollars less than the country has paid for that quantity.

But if the Government had waited until last fall the order would not have been for 50,000 tons but for enough only for one year's requirements—probably 10,000 or 12,000 tons, at Thirty-six Dollars per ton, costing at Montreal Four Hundred and Thirty-two Thousand Dollars, or say, delivered at destination, Five Hundred Thousand Dollars. This is all that need

have been disbursed for steel rails, for the Pacific Railway, to the close of this year. But, instead of this amount, the Government has actually disbursed n cost, charges, and interest—upwards of Three Millions Five Hundred Thousand Dollars, being Three Millions and odd Dollars more than they need have disbursed, and which sum, now represented by piles of corroding steel rails, might have been and ought to have been still at the credit of the country with its bankers, where it would be convenient to have had it at present.

On a subsequent page will be found a statement of the transaction. It shows that the country, up to the 30th June last, had lost by it more than a Million and a Half of Dollars; and further payments have been made which were not included in the Public Accounts of last year.

Is not this appalling? Consider what might be accomplished in this country with One Million Five Hundred Thousand Dollars judiciously expended, and that of this lost sum, no less than One Million One Hundred and Twenty-three Thousand One Hundred and Fifty Dollars were paid away needlessly by the Government, to English ironmasters.

The loss to this date is not limited to the amount shewn above. But in consequence of having the rails on hand, the Government despatched five thousand tons to Vancouver Island, without waiting to see whether the Bill to provide for the construction of the Esquimault and Namaimo Railway would pass. They would not have done this, had the rails not been on hand. The Bill did not pass. The rails are now lying on Vancouver Island corroding, and no man can say when they will be required. They represent in cost and freight not less than Three Hundred and Twenty Thousand Dollars.

There is still another and a worse case. The rails sent to Vancouver Island, although deteriorating, are the property of the country; but the Government has taken authority to make an absolute gift of about 4,000 tons of these rails to Nova Scotia for a private Company. When it was discovered that the Steel Rails would not be wanted for the Pacific Railway for years after they were purchased, about eleven thousand tons were sent to Halifax for use upon the Intercolonial and other Government Railways in the Maritime Provinces. One of these, the

TRURO AND PICTOU RAILWAY,

is about 52 miles long, connecting at Truro with the Intercolonial Railway, and at Pictou with the Gulf of St. Lawrence. To aid in extending Railway communication into the eastern part of Nova Scotia, the Government agreed to transfer the Truro and Pictou Line, by way of bonus, to any Company that would agree to continue it from a point near Pictou to the Strait of Canso, The negotiations were commenced in the time of the late and concluded by the present Government.

In 1874 the House of Commons passed a resolution authorizing the Government to conclude the transaction, and an Act was passed last Session to give effect to it. When this Bill was passing through the

House of Commons, the House was not informed by the Government, as it ought to have been, that subsequent to the House's authorizing the transfer of this Railway, a very large sum of money had been expended upon it. When the Bill came to the Senate, no communication of this expenditure was made to that House. Attention was called to outlays amounting to Seventy-seven Thousand Three Hundred and Sixty-nine Dollars for new works at Pictou and elsewhere upon the line; surprise was expressed that they should have been incurred after the Government had authority to transfer the Railway to a private Company. And this led to the astounding discovery that the Government had actually re-laid 42 miles of the line with steel! which must have taken, including sidings, about 4,000 tons of rails.

The excuse offered by the Government for this unauthorized, and, under the circumstances, extraordinary expenditure, was that the Railway had to be maintained, that the track was wearing out and had to be relaid. But does any one suppose that it would have been relaid with steel had it not been for the unfortunate purchase of steel rails? The Government had them on hand and were anxious to get them out of sight, and to help to do this actually gave away four thousand tons, which cost about Two Hundred and Twenty-five Thousand Dollars, to a private Company.

The road had been open only a few years, and, considering its light traffic, the track cannot have been in very bad order. Whatever renewals were necessary should have been in iron rails, of which a large quantity was removed on the Intercolonial, to be replaced by steel. The iron so removed was nominally lent, but I presume really given, to private Companies who are building Branch Railways to connect with the Intercolonial. If these iron rails are sufficiently good to lay upon new roads, surely they were good enough for repairing a Railway which was about to be given away.

It was said by the Government when the Bill was before Parliament that the Railway had very little traffic, but certainly the expenditure upon it would lead one to suppose that the traffic must be considerable and increasing. After its transfer had been authorized the Government must have expended upon it for new works, relaying the track with Steel Rails, &c., Three Hundred and Twenty-five Thousand Dollars,—an addition to the gift contemplated by the House of Commons, wholly unauthorized. What can be said, not in justification, but in extenuation of thus giving away public property without the knowledge of Parliament?

The Government Steel Rail adventure in all its unfortunate phases, of which the Truro and Pictou is not the least remarkable, is so extraordinary—was embarked in so unnecessarily and unwisely, conducted so recklessly, if not corruptly, and has been so dire in its consequences to the country—that it would be altogether incredible were not the facts and results, as they are, absolutely demonstrated.

The transactions which I have brought under your notice involve the absolute waste of Millions of the public money; and the men who are directly

responsible for this waste are the same men whom the people—placing confidence in their ability as statesmen and administrators, putting faith in the sincerity of their professions of purity and in their promises of retrenchment and economy—raised to supreme power, and to whose support in the House of Commons the people sent a majority so large as to render the sway of the Government altogether unquestioned in the Dominion. Absolute power carries with it weighty responsibility. The present Government has wielded the power for nearly four years. How has it discharged the responsibility? Traverse the Dominion from Cape Breton to Vancouver Island, and enquire how the Government has acquitted itself of its duties; and the answer, from supporter and opponent alike, will be an expression of disappointment—varying in emphasis, of course, but always condemnatory.

Four sessions of the present Parliament have been held, at a cost to the people of about Two and a Half Millions of Dollars. Throughout all this period the control of the Government has been absolute—its majority in the House of Commons being overwhelming, and the Senate not unfriendly.

Whoever will search the Statute Books of these four sessions will find that the legislation of importance to the Dominion has been almost infinitesimal, and altogether incommensurate with its cost.

I fear the Government will go on still increasing the expenditure, and that deficits will continue to roll up. Should the war now raging in Europe extend, money will certainly become dearer in England. I am not without apprehension that the construction of even the useful and most desirable of the public works in progress may have to be retarded, if not suspended, and will thus, although representing a large outlay, be for a time of no utility, because unfinished. In times like the present, even if managed with prudence, our finances would give cause for anxiety; managed as they are, the future is pregnant with peril. In the Senate, I gave it as my opinion that Parliament should not rise without making better provision for the future. It would have been wiser to have provided foı the existing deficit of Two Millions of Dollars than to wait until next session, when Parliament may have to deal with two deficits, each probably of Two Millions.

I regret to have to write thus of our public affairs. But unless the facts are made known to the people, the evils will not be remedied, and there is a numerous and influential class of men throughout the country interested in concealing the truth and profiting by the evils which prevail.

I wish that less of the work of exposing the mis-government of our rulers had devolved upon me; but I cannot look on in silence, and see the vital interests of the country compromised by those to whom its destinies are entrusted. I hold that every Member of Parliament is charged with the care of those interests, and that it is his imperative duty to give utterance to what he conscientiously believes is demanded in the public welfare.

I am, as you all know, one of the non-official class, having nothing to gain by the rise and fall of Administrations; having no object to serve beyond that

which I have in common with you and with every lover, as well as every tax-payer, of Canada;—interested only in the good name and fair fame of our country; interested in the honest, efficient and economical administration of public affairs; and, above all, because essential to the attainment of the others, interested that our Ministers should be men worthy to constitute the Government of Canada—men of high character and consistency, men of truth and honour.

To enable you to form a judgment for yourselves upon the increased amount of our expenditure, especially the controllable portion of it, I submit the facts to be found in the following pages, all of which have been extracted from official sources. I think you will agree with me that the exhibit is truly alarming—that the increase of our controllable expenditure is greatly in excess of the requirements of the public service, as well as far beyond the present means of our people. The increase of our public debt is also appalling, inasmuch as it is being incurred mainly for the construction of Works which will not only be unproductive, but the maintenance and working of which will be attended with heavy annual loss.

I have brought under your notice evidence only of the larger acts of mal-administration and of the grosser cases of extravagance and worse than extravagance that have been brought to light. How much remains to be discovered time only can tell, and even time may not disclose all the evidence that exists of administrative incapacity,—of reckless extravagance—of absolute waste of the public money—of scandalous jobbery. The present Government have certainly made haste to impoverish the country and impair its credit, and, simultaneously, have made havoc with the reputations of its members, while their pretensions to statesmanship and political purity have been utterly swept away.

Less than four years ago, Messrs. Mackenzie and Blake, as the leaders of the new Government, may be said to have unfurled their banner, and to have inscribed upon it

REFORM, RETRENCHMENT, ECONOMY, PURITY!

It was borne over the Dominion in triumph, amid the acclamations of the people. Four short years have more than sufficed to prove the hollowness of these lofty pretensions.

The proud inscription is effaced, and the banner itself is trailing in the dust.

I have the honor to be, Gentlemen,

Your very obedient Servant,

D. L. MACPHERSON.

P.S.—After the preceding pages were in type, I saw the official report of a debate on a motion of Mr. Kirkpatrick's, on the Fort Francis Lock. Mr. Mackenzie's speech on that occasion strikes me as being so extraordinary that I feel it my duty to bring it under your notice.

On the 21st February last, (*vide* official report of the House of Commons) Mr. Mackenzie, said :—" It (the Pacific Railway) touches at present " west of the Lac des Mille Lacs, or rather, the Kaministiquia River (*sic.*, " Savanne River ?) at a navigable point, a little beyond which the " latter falls into the Lake. *From that point there is almost continuous navi-* " *gation with a few short portages on the way to Rat Portage, the crossing place* " *of the Pacific Railway, on Winnipeg River, with only one great obstacle, which* " *could not be overcome in any other way, than by constructing a Lock at Fort* " *Francis.* There are, as I stated roughly last night, two hundred and " twenty-eight miles under contract between Lake Superior and Red River, " of which one hundred and sixteen miles lie at the east end, or westward from " Fort William. At about seventy miles from thence, we reach a point east of " Lac des Mille Lacs, thereby coming into the best navigable system at a " place much further west, than would have been obtainable if the first con- " templated line had been followed out."

It would be difficult in the same space to compress more of erroneous and misleading statement concerning the country spoken of, but not described, than is contained in the foregoing extract from Mr. Mackenzie's speech. I have italicized its most important passages; and unless it was intended to be meaningless, it foreshadowed enormous and useless expenditure. Mr. Mackenzie, judging by the report of his speech, made light of the "few short portages" between Lac des Mille Lacs and Rat Portage,—(Keewatin,) " the only one great obstacle" being at Fort Francis, which he said would be overcome by the construction of the Lock in progress at that point. Would the reader of Mr. Mackenzie's words suppose that the difference in level between the waters of Lac des Mille Lacs and of the Winnipeg River at Keewatin (Rat Portage) is no less than four hundred and thirty feet ? The Fort Francis Lock will only overcome twenty-two feet of this fall : four hundred feet of it lie between Lac des Mille Lacs and Rainy Lake, and are, at present, overcome by eight portages. Everything, therefore, that is transported over this route must be transhipped twice at each of these eight portages, must be handled sixteen times between Lac des Mille Lacs and Rainy Lake. Imagine Steel Rails and other heavy materials for the Pacific Railway being thus transported—it cannot be done, and to speak of it as practicable is simply absurd.

Mr. Mackenzie, you will observe, said that when the railway reaches Lac des Mille Lacs (Port Savanne) it will touch "the best navigable system" in that country. This is an inexplicable statement to fall from Mr. Mackenzie's lips. I shall not impute intentional mis-statement to our Prime Minister, but will assume (what is scarcely less unpardonable because equally misleading) that Mr. Mackenzie omitted to inform himself about the country

which was the subject of debate on the 21st of February. His speech shows that while he professed to describe it with minuteness he was altogether unacquainted with its principal geographical features.

Instead of speaking of Lac des Mille Lacs as part of the "best navigable system," broken only by "a few short portages," Mr. Mackenzie, to have been accurate, should have described it as a Lake on the top of a hill, four hundred and thirty feet above the "navigable system" which he proposed to utilize.

Mr. Mackenzie seems to regard this route as only temporary, for he proceeds to say:—" Those who choose to look at the map will observe that " the first line, which we hoped to take, went almost in a straight line from " Kaministiquia Bridge to a place called called Sturgeon Falls, this being at " the head of a long arm of Rainy Lake, stretching north-eastward. That " route was found not to be impracticable, but expensive. The line, as the " hon. gentleman says, was carried further to the northward, but two-thirds of " that country, perhaps, consists of water, and, in the vicinity of Rainy Lake, " the country, to the north in particular, is intersected by deep, wide channels, " which reach either the exact vicinity of the railway, or very near it, between " Rat Portage, the crossing of the Winnipeg River, and the end of the eastern " contract, a distance of one hundred and eighty miles—what we may call the " Central District of that region. *No matter with what speed the road may be " prosecuted, that part cannot be completed within four or five years; and in the " meantime, if this Lock is finished, as I am informed it will be, during the coming " season, we will be able to send out steamers to Rat Portage and to the eastern " end of Rainy Lake during the season after next, and from that point to Lac des " Mille Lacs is a comparatively short distance, so that in a few years we will be " able to avail ourselves of these most magnificent water stretches connecting the " two points which the railway would touch—east and west.* The policy of the " Government from the first was to have the railway completed as straight as " possible, *and in the meantime to utilize any portion of the water communi- " cations which would connect the two points that ought to be reached by railway " —years before they could actually be connected by rail. This is the cause why " it is of the utmost service to the Government in the construction of the railway " to have the means of passing through these waters in the way I have indicated, " especially with regard to the very heavy and cumbrous carriage of rails and " materials of that kind, which are to be taken either from the west or the east.* " The cost of the carriage of rails from Duluth to Red River is Fifteen " Dollars per ton, three times the amount of the cost of transporting them " from Montreal to Duluth. If the railway is finished to Lac des Mille Lacs, " and if the Government, when that time may come, should be directly " interested in carrying the other contract over the intermediate space to " which I have referred, *we expect we could carry the rails at one half the " present cost in consequence of the completion of that undertaking, as the tran- " shipment would be very difficult and expensive over the small portages, and " particularly at Fort Francis, while I believe that to take the materials from " Red River eastwards would entail still more formidable expenditure.* I make

" these brief explanations in order that hon. gentlemen may see that we have at " all events reasons which were satisfactory to the Department and to the Gov " ernment for inducing us to come to the conclusion to prosecute this " work."

Mr. Mackenzie thus clearly announced it to be the intention of the Govrnment to open unbroken navigation for steamers from Port Savanne (the railway station for Lac des Mille Lacs) to Rat Portage, on the Winnipeg River. He promised also to have it completed "in a few years," and "years before" the railway is finished between the points named. Can Mr. Mackenzie have been aware of the magnitude of the undertaking to which he committed himself?

Is it possible that he did not know that to connect Rainy Lake with Lac des Mille Lacs for the purposes of navigation, 400 feet, perpendicular, have to be overcome? Did Mr. Mackenzie know that the work he spoke of accomplishing in a "few years" and "years before" the railway is completed between Port Savanne and Keewatin (Rat Portage) involved the construction of canals through seven miles or more of rock and the building of forty locks, each of ten feet lift?

When declaring it to be the policy of the Government to carry out this stupendous undertaking, surely it was Mr. Mackenzie's duty to tell the country how many millions it would cost to construct the canals and the forty locks required to enable "steamers" from Rainy Lake to ascend 400 feet to the top of the hill whereon Lac des Mille Lacs reposes.

When the section of the Pacific Railway between Lake Superior and the Red River is finished the proposed system of navigation, if it should then exist, would be superseded by the Railway; and the tolls from traffic upon it would not, at any time, pay the wages of the keepers of its forty locks. Indeed, Mr. Mackenzie seemed to regard it only as auxiliary to the building of a section of the Railway, a means for transporting the heavy materials,—in short, to serve in the construction of the Railway as temporary works are made to serve in the erection of bridges and important buildings.

The Pacific Railway, even if constructed in the most judicious and economical manner, is a truly formidable undertaking for Canada; but if it should be necessary, as auxiliary to its construction, to open up a system of artificial navigation so stupendous as that between Rainy Lake and Lac des Mille Lacs would be—carried out to correspond with the Fort Francis Locks,—then it is manifest that the construction of the Railway, even of the Lake Superior section, must be left to future generations. Mr. Mackenzie's project of navigation-improvement, in addition to the Railway through the wilderness, between Lake Superior and the Red River, is of course out of the question; and when the facts connected with it are understood, the project—if ever entertained—must be abandoned.

When, on the 21st February last, Mr. Mackenzie announced that the Government intended to adhere to the policy of utilizing for years the

"water stretches" between Port Savanne and Rat Portage, did he know that in consequence of the Government having sanctioned the northern—the actual—location of thè Railway, the utilization of the water stretches had been rendered impossible except by an expenditure for Canals and Locks which, I am sure, Mr. Mackenzie would not advise? Mr. Mackenzie seems not to have been aware of this fact on the 21st February. His speech throughout shows that he was at that time unacquainted with the topography of the country. Mr. Mackenzie spoke of the Fort Francis Portage as being the "only one great obstacle" to navigation between Lac des Mille Lacs and Keewatin (Rat Portage) on the Winnipeg River, and referred to the "few short portages" between Lac des Mille Lacs and Rainy Lake as trifling obstacles to be easily overcome—while, in point of fact, Fort Francis Portage compared with some of the others is an insignificant obstacle. At the latter point the fall is only 22 feet, while at Brulé Portage, French Portage, Pine and Deux Rivières Portages, the portage between Nequaquon and Nameukan Lakes, the falls respectively are, 47, 99, 124 and 72 feet; and, as I have before stated, the total fall from Lac des Mille Lacs to Rainy Lake is four hundred (400) feet. (See table on next page.) Had the Railway been located so as to touch the waters of Rainy Lake at Sturgeon Falls the "water stretches" from that point to the north-west angle of the Lake of the Woods, a distance of 177 miles, or to Keewatin (Rat Portage), about 200 miles, could have been utilized, and the construction of what Mr. Mackenzie calls the "Central District" of the Lake Superior section of the Railway (180 miles) might have been postponed for very many years. But, located where it is, the water stretches cannot be taken advantage of, and the two end sections of the Railway which are now being constructed will be utterly useless for business until they are connected by the Central section—until the all-rail-line from Lake Superior to the Red River is completed. The continued prosecution of the works at Fort Francis after the necessity for them had ceased, in consequence of that point being no longer on the line of through communication, goes to establish that Mr. Mackenzie was not aware that he had *shunted* the Railway a long distance aside from the water stretches, and had thereby defeated his own scheme—their utilization. I submit that I have put the only construction upon Mr. Mackenzie's speech of 21st February that is consistent with its having been spoken in good faith.*

I think I have proved by Mr. Mackenzie's own words that at the time he sanctioned the location of the Railway he did not know the full consequences to the country of his decision. What is to be said of an Administration that decided a matter of such importance without the fullest comprehension of everything relating to it? Does not the action of the

* The extent to which Mr. Mackenzie's speech on the Railway and "water stretches" was calculated to mislead the general public is exemplified in the fact that it seems to have misled even the *Globe* newspaper. All the inaccuracies of the speech were reproduced and endorsed in a leading article in the *Globe* of 7th May last, entitled "Fort Francis Lock."

Government in this case help to explain how works like the Fort Francis Lock, the Georgian Bay Branch Railway and the Steel Rail speculation, were entered upon apparently from mere impulse, without the deliberation which the public interests demanded, and without policy, plan, survey, or estimate?

D. L. M.

TABLE OF DISTANCES AND LEVELS BETWEEN LAC DES MILLE LACS, (PORT SAVANNE) AND LAKE OF THE WOODS.

Compiled from the reports of S. J. Dawson, Esq., C. E.

PORTAGES AND RAPIDS.	LAND CARRIAGE. Miles.	LAND CARRIAGE. Chains.	Difference in Level in feet.	NAVIGABLE WATERS.	Miles of Navigation.
				Savanne River and Lac des Mille Lacs	42
				Baril Portage	8½
Baril Portage.		16	*Rise 1.86	Baril Lake	12
Brulé Portage		21	Fall 47.02	Windegoostegoon Lakes.....	
Descent in Windegoostegoon Lakelets and stream	......	......	" 9.50		
French Portage	1	60	" 99.71	Little French Lake and Kaogassikok Lake........	15
Pine and Deux Rivière Portages............	2		" 124.12	Sturgeon Lake and River ..	27
Island Portage and Fall, Sturgeon River............		13	" 10.06 " 32.50	Nequaquon Lake	17
Portage between Nequaquon Lake and Nemeukan Lake.	2		" 72.00	Nemeukan Lake	10
Bare Portage		11	" 8.55	Rainy Lake and River	46
Fort Francis............		10	" 22.88	Rainy River and Lake of the Woods	120
Manitou Rapids	......	......	" 2.50		
Long Rapid	......	......	" 4.00	Land Carriage...........	6½
Total..........	6	51	432.84 * Off 1.86	Total Miles	304
Difference of Level between Lac des Mille Lacs and north-west angle of Lake of the Woods .... feet			**430.98**	Distance from North-west Angle to Keewatin about **30** Miles.	

SPEECH

ON THE INCREASED PUBLIC EXPENDITURE.—DELIVERED IN THE SENATE, OTTAWA, ON MONDAY, APRIL 16TH, 1877.

In pursuance of notice given by me, I beg to call attention to the increased public expenditure of the Dominion, especially that portion of it which is largely within the control of the Administration, and to inquire of the Government how it is proposed to restore the equilibrium between income and expenditure? When I brought this matter before the Senate early in the session, I intended that that should be the only occasion this session on which I would trespass on the patience of the House on this subject. But as my statements were received with a simple denial of their correctness by the Government, and the friends of the Government, I felt called upon to go more thoroughly into the question of public expenditure than I had previously done—not to satisfy myself of the correctness of the figures I had produced, for I had done that before, but to bring conclusive proof of their accuracy before the Senate.

But before entering on that branch of my subject, I shall say a few words upon a very important matter connected with our finances; and if the statement to which I am about to refer can be substantiated it will be gratifying to me, and I am sure to the House also. The statement to which I refer will be found in the speech of the Prime Minister, delivered on the Budget, on the 20th February, 1877, on page 176 of the *Hansard* of the House of Commons. It is as follows:

"I have shown that when they (the late Government) left office the expenditure was at Twenty-four Million Dollars. When they entered office, the expenditure stood at Thirteen Million Dollars, and in the course of six years they increased the expenditure by Eleven Million Dollars. We have been in office three years, and have decreased the expenditure by One Million and a Half Dollars. That is the difference between the two Governments. We have, moreover, made the most ample provision to have all the public wants attended to. We have erected public buildings in different places, the buildings at Montreal, Toronto, and in this city having been almost entirely constructed during that period; and, further, we have effected the reduction of the estimates which were left us when the hon. gentlemen opposite resigned office. This is a true statement. Any one who chooses to examine the Public Accounts will see for himself the real state of affairs."

I did examine the Public Accounts, and did not find Mr. Mackenzie's statement borne out by them; but, on the contrary, discovered several inaccuracies in it. The first is, that the public expenditure in 1873 was Twenty-four Mil lion Dollars, whereas it was only Twenty-three Millions, Three Hundred and Sixteen Thousand Three Hundred and Sixteen Dollars. The late Government left office on the 7th November, 1873, so that the present Government had the administration of affairs, as nearly as possible, for two-thirds of that financial year, and their predecessors for one-third. It would have been but fair if the Premier, also, in making his statement, had explained this. It would have been but fair to have compared the expenditure of the year preceding the last year of the late Government's incumbency of office, 1872-1873, with the year the hon. gentleman referred to—1868. If he had done this, the expenditure for the year ending the 30th June, 1873, would have been found to be Nineteen Million One Hundred and Seventy-four Thousand Six Hundred and Forty-seven Dollars, and for the year ending the 30th June, 1868, Thirteen Million Four Hundred and Eighty-six Thousand and Ninety-two Dollars—the difference between them being Five Million Six Hundred and Eighty-eight Thousand Five Hundred and Fifty-five Dollars. But even taking the next year—the year which he did take, and which I think was straining the comparison very far—there was a great inaccuracy, considering the lips from which it fell. For the year ending the 30th June, 1874, the expenditure was Twenty-three Million Three Hundred and Sixteen Thousand Three Hundred and Sixteen Dollars—being a difference between the expenditure of that year and of the year ending the 30th June, 1868, of Nine Millions Eight Hundred and Thirty Thousand Two Hundred and Twenty-four Dollars, instead of Eleven Millions Dollars, as the Premier had stated—an error of One Million One Hundred and Seventy Thousand Dollars. This was a very important inaccuracy in dealing with figures in a matter of this kind. It is true, we have of late got into the habit of dealing with large sums, but the hon. gentleman, in making a statement as the basis of an argument against his predecessors, ought to have been as nearly as possible accurate. The statement of the Premier was, therefore, unfair and unjust to his predecessors, and calculated also to mislead the country. The other inaccuracy in the statement of the Prime Minister was, that his Government, during the three years they had been in office, had reduced the expenditure by a Million and a Half of Dollars, and the hon. gentleman has referred to the Public Accounts, alleging that they sustain that statement.

I have referred to the Public Accounts also, but they do not support the statement of the Prime Minister; on the contrary, the Public Accounts show that the expenditure has increased year by year since his accession to office. The expenditure of 1876 was larger than that of 1875.*

In referring to the public expenditure the Premier ought to have been accurate. Such mis-statements as I am calling attention to led the people of the country to believe they were better off than they really are; and that was not a worthy or proper thing for a Government to do. I hope the statement can be explained, for I can not doubt the errors were unintentional. In referring to the expenditure of previous years, especially of 1868, the Prime Minister should have remembered that Confederation was only in its infancy then, that the foundations of the Dominion had to be laid, and a large abnormal expenditure incurred. The Intercolonial Railway had to be undertaken and large amounts to be expended in the various Provinces. All this was

* The estimates for 1878 are larger than those for 1877. I can discover no facts in the past or present to support the statement of the Prime Minister.

perfectly indispensable. If the statement of the Prime Minister meant anything at all, he meant it to be understood that the burdens of the people had been reduced by his Government, in the three years they had been in office, by the sum of a Million and a Half of Dollars; and yet this is not possible, for the estimates for next year are larger even than those for last year. It would not be worthy of the Prime Minister to say that he only meant that the expenditure from revenue upon the construction of certain public works was diminishing. Notwithstanding any reduction that might be made in expenditure upon Public Works from revenue, the interest upon the increasing expenditure from capital would still maintain the expenditure of the country, out of income, at its former or at a higher point.

It would not be fair to the country to represent a mere transfer from one account to another as a real diminution of the burdens of the people, and unless the statement of the Prime Minister meant that there had been a positive diminution, it was misleading—not intentionally so, I feel sure, but necessarily misleading. So soon as the construction of certain buildings was finished, as a matter of course, the expenditure on them would stop, and unless other buildings or works, to be paid for out of revenue, were commenced, the expenditure under that head must decrease; but it does not follow that an absolute reduction of the public expenditure would be the result. There might be a reduction under one head and an increase under another, a mere transfer from one column to another; and I fear that that is the case at present. The Government has been engaged in the construction of public works, all very desirable of their kind, but in course of time they become finished, and unless the Government enter upon similar expenditures elsewhere, the outlay under that head must decrease; but they are going on with a very large expenditure from capital, and the interest upon that is charged to the Consolidated Revenue Fund; therefore, the gross expenditure of the country from income does not decrease, and I am afraid will increase very rapidly. The Prime Minister should remember that the Railway now building between the head of Lake Superior and the Red River would cost not less than Twenty Millions of Dollars; the interest on that would be One Million a year in round figures, to say nothing of a heavy loss from working the railway.

It had been asserted very confidently by the present Government that they had been committed by their predecessors to the large expenditure from revenue which was being carried on increasingly, and therefore that it was not within their control. I believe the contrary is susceptible of proof, and I will endeavor to throw some light on that subject. To do this I must take a retrospect of the financial affairs of the Dominion since 1870. It will be attended with some pleasure to review the prosperity the country enjoyed from 1870 to 1874, even if by contrast it make the present gloom seem darker than it otherwise would appear. I will first refer to the Budget speech of Sir Francis Hincks, delivered on the 7th April, 1870. Sir Francis said:

" I believe the country is in a state of prosperity, perfectly able to meet " all its obligations, and there is no cause of complaint of excessive taxation." Sir Francis then proceeded to speak of the debt, per head, of the population: " I find, sir, if we take Great Britain, that the debt of that country is about " One Hundred and Thirty-five Dollars per head of the population. The " debt of the United States is about Sixty Dollars per head. I may here " observe that although the ratio of debt is lower in the case of the United " States than that of Great Britain, it would be unfair to estimate the burdens " of the people according to the same ratio, for it is perfectly well known that " the debt of England carries a very small rate of interest, while the debt of

"the United States carries a large rate. Now, sir, while the debt of those "countries is what I have stated, the debt of Canada is about Twenty-two "Dollars and Fifty Cents per head of the population. Then, again, taxation "in Great Britain is at the rate of Ten Dollars per head, and in the United "States Nine Dollars and Twenty-five Cents, while in Canada it is only about "Three Dollars and Fifty Cents. I do not think, bearing these figures in "mind, that we need be afraid of any slight increase of taxation which it may "be necessary to impose upon the people, that there shall not be the least "cause to apprehend deficits in the future."

Sir Francis proceeded to say the surplus on the transactions of the year ending June 30th, 1870, would be about One Million Dollars; yet, notwithstanding the sound state in which the finances of the country then were, Sir Francis considered it prudent to increase the tariff five per cent. on the duty of fifteen per cent. I will next refer to the budget speech of Sir Francis Hincks in 1871. In that year the finances of the country were in an exceedingly satisfactory condition. Sir Francis had estimated the surplus at One Million Eight Hundred and Ninety-two Thousand Dollars; it actually amounted to Three Millions Seven Hundred and Twelve Thousand Four Hundred and Seventy-nine Dollars, for the financial year ending June 30th, 1871. I will also read the opinion of Sir Alexander Galt,—who was then not a supporter of the Administration, and who, while he made the following remarks, attacked several points of the Finance Minister's policy:—"With a "redundant revenue, and abundant means, and low taxation, nothing but "ordinary prudence and economy were necessary to insure the future pro-"gress of the country."

On the same occasion Mr. Cartwright pointed out that people when in easy circumstances were very apt to make engagements which they would not otherwise make, and maintained there was great danger in such a course, and said: "A very considerable portion of our future surplus would be taken up for "interest on the cost of the Intercolonial Railway, which he thought would "probably cost much more than was estimated. For all these reasons he "considered it a fit and proper time to warn the Government and the coun-"try of the possible results of the course they were now pursuing."

As early as 1871 the present Finance Minister foresaw the difficulties which have since overtaken us. He was among the first to predict the crisis, and he called attention to it every succeeding session until he became Finance Minister himself, when he seemed to regard but lightly the danger he had warned his predecessors against. Such was the state of the revenue that year (1871) that Sir Francis modified the tariff by taking off the five per cent. imposed the previous session; and, although he did not wish it and it was not a part of his policy, the duties upon agricultural products and coal were also taken off. At that time there was nothing said about the equilibrium between revenue and expenditure, the revenue greatly exceeding the expenditure.

I now come to Sir Francis Hincks' Budget speech of 1872. Notwithstanding the repeal of the duties imposed in 1870, involving a loss to the revenue of Eight Hundred Thousand Dollars, there was a surplus of Three Million Seven Hundred and Twelve Thousand Four Hundred and Seventy-nine Dollars for the year ending the 30th June, 1871. For the year ending 30th June, 1872, the surplus was estimated at Three Million One Hundred and Fifteen Thousand Four Hundred and Sixty-five Dollars; the actual surplus was Three Million One Hundred and Twenty-five Thousand Three Hundred and Forty-five Dollars. Sir Francis Hincks estimated the surplus for the year ending 30th June, 1873, at One Million Dollars; the actual surplus was

One Million Six Hundred and Thirty-eight Thousand Eight Hundred and Twenty-two Dollars. Those were unquestionably years of plenty; and it was at that time, and under the circumstances I describe, that the late Government recommended the construction of certain public works, such as piers, harbours, light-houses, marine-hospitals, custom-houses, post-offices, &c., to be paid for out of the surplus revenue. It will be admitted that the state of the revenue in those years was such as to justify this expenditure.

I now come to the budget speech of Mr. Tilley, which contained a very interesting *resumé* of the financial history of the Dominion. The duties on tea and coffee had been repealed in 1872, and the loss to the revenue from that source was One Million Two Hundred Thousand Dollars. Notwithstanding that, the surplus for the year ending the 30th June, 1873, was One Million Six Hundred and Thirty-eight Thousand Eight Hundred and Twenty-two Dollars. There was no additional taxation proposed that year. During the session of 1873 there were enactments passed which increased the expenditure of the country very considerably, and which it would not be fair to lay at the door of the present Government. These were increased subsidies to the Provinces resulting from the readjustment of the Provincial debts; expenses connected with the admission of Prince Edward Island to the Union, and increased salaries to the Civil servants. These, altogether, as estimated by Mr. Cartwright in his Budget speech of 1874, imposed on the country an additional burden of One Million Five Hundred Thousand Dollars. Mr. Tilley's estimates for that year, as introduced, amounted to Twenty Millions Nine Hundred and Forty-one Thousand One Hundred and Eighty-three Dollars. Then the legislation to which I have just referred was passed, and the expenditure for the year, under Acts of Parliament and by supplementary estimates, was authorized to be increased (according to Mr. Tilley) by the sum of One Million Five Hundred and Forty-two Thousand Dollars, makng the total estimates for that year Twenty-two Millions Four Hundred and Eighty-three Thousand One Hundred and Eighty-three Dollars. The Senate will thus see that the Government of that day provided for the additional expenditure ordered by Parliament in the session of 1873. Mr. Tilley evidently supposed he was making ample provision for all the requirements of the year ending 30th June, 1874, including the increased statutory expenditure passed in the session of 1873. The late Government went out of office on the 7th November, and Mr. Tilley was succeeded by the present Finance Minister. Mr. Cartwright, in his Budget speech of 1874, took a very gloomy view of the affairs and prospects of the country, and his speech was replete with words of warning; but instead of decreasing the expenditure, as would have been reasonable and prudent, he increased it very largely. That was the first error, and a very grievous error it was, on the part of the Administration. They saw the impending crisis—it was then to some extent upon us—but they went on increasing the expenditure very largely. The Finance Minister had been warning the country; he had put up storm signals in all directions for his predecessors; but, notwithstanding all, he did not act upon the opinions he professed, and did not take the precautions which a prudent Minister should have adopted under the circumstances. The statutory increases were referred to by Mr. Tilley; and honourable gentlemen will also observe that Mr. Tilley and Mr. Cartwright, the Finance Ministers of the late and present Administrations, agreed substantially as to the amount of the statutory increase of expenditure in the session of 1873. This is very important. Mr. Tilley is reported to have said that, "notwithstanding the additional "charges imposed upon the revenue of the present year (1873), the surplus

" would reach Seven Hundred Thousand Dollars. The surplus next year he " estimated at Nine Hundred and Thirteen Thousand Dollars; but the " supplementary estimates and propositions before the House would require " One Million Five Hundred and Forty-two Thousand Dollars, which would " leave a deficiency of about Six Hundred and Twenty-eight Thousand " Dollars. But owing to the surplus in the present year no deficiency would " arise." That was the state in which Mr. Tilley left the finances of the country. The revenue balanced the expenditure, and he indicated clearly that there would be no deficit. But the moment the new Government came into office they appear to have largely increased the expenditure. In the following year Mr. Cartwright included Two Millions Four Hundred Thousand Two Hundred and Eighty-six Dollars in the schedule "A" of his Supply Bill. That might be called the Supplementary Supply Bill. Whoever was in the habit of looking at Supply Bills would be aware that they consisted of two schedules—"A" and "B," the former consisting of items for the current financial year which had not been voted in the preceding session. A schedule "A" was found in every Supply Bill, but there was no schedule "A" to compare in amount with that of 1874, Mr. Cartwright's first Supply Bill. In 1873 schedule "A" was Seven Hundred and Ninety-two Thousand Eight Hundred and Sixty-four Dollars, but in 1874 it was Two Millions Four Hundred Thousand Two Hundred and Eighty-six Dollars.

Hon. Mr. SCOTT—To make up Mr. Tilley's deficiency.

Hon. Mr. MACPHERSON—Mr. Tilley left no deficiency. Of this Two Millions Four Hundred Thousand Two Hundred and Eighty-six Dollars the sum of Four Hundred and Twenty-five Thousand Dollars was on capital account, so that the items in schedule "A," charged against the revenue, amounted in round numbers to Two Millions. The Government desiring, apparently, and not unnaturally, to proceed with extensive works chargeable to income, wanted additional revenue and a larger surplus. To obtain these the Minister of Finance increased the tariff from fifteen per cent. to seventeen and a half per cent., and in other respects made additions to taxation, which he estimated would add Three Millions of Dollars to the revenue. He may have been sanguine enough to hope that his additions would yield even a larger sum, probably Four Millions of Dollars; at all events he counted upon an increased revenue of Three Millions of Dollars, and upon that basis the Government appear to have pitched their scale of public expenditure. Hon. gentlemen know how disappointing the result had been. The new taxes, instead of coming up to the estimate of Three Millions, yielded only One Million Seven Hundred Thousand Dollars, not enough to meet the expenditure. It was then that the difficulties of the country began. It was then that the deficit commenced, which at the end of the last financial year—30th of June last—amounted to Two Million Dollars, and is still increasing.

The Minister of Finance, in his Budget Speech of 1874, laid the responsibility of the expenditure upon his predecessors, but I do not think the facts warranted his doing so. The expenditure from revenue under the control of an Administration pledged to retrenchment and economy, as the new Government was, and supported by an enormous majority, should have been retrenched. Some of the works might have been stopped, the expenditure upon others reduced, and a deficit avoided. But the Minister of Finance and the Prime Minister thought it best to proceed with the works in progress and also with new works, and so increase the expenditure as to produce the difficulties that now pressed upon the country. While doing this they endeavored to fasten the responsibility of their policy upon their predecessors. The present

Government would have been at a great loss if they had not had predecessors. Everything done which should not have been done, and everything left undone which should have been done, they charged against those predecessors. When I hear the utterances of honorable gentlemen opposite, and read the speeches delivered in another place, I often wonder what would have been the result if those gentlemen had not had predecessors in office, or if they had been in office when Confederation was undertaken.

But I need not speculate on the subject. Confederation, in that case, would never have been carried out. Mr. Cartwright's estimate of the revenue for 1874 was Twenty-five Millions; it yielded only Twenty-four Millions, Six Hundred and Forty-eight Thousand, Seven Hundred and Fifteen Dollars, leaving a deficiency as compared with the estimate—the first since Confederation—of Three Hundred and Fifty One Thousand Dollars. Now, what the Finance Minister should have done—because he could not plead ignorance of the state of the country—was to diminish the expenditure. The expenditure upon a great many works could have been stopped, and the expenditure upon others diminished; and above all, new works should not have been commenced. I propose to show that a great many new and costly works were undertaken by the present Administration which were not thought of by their predecessors in 1873. But before doing so, I will quote from Sir John Rose's Budget Speech in 1869, to show what had been done by the late Administration when they were threatened with a deficit. Sir John Rose said:—

"When the Government found the revenue was falling short, that "it did not come up to anticipation, that the receipts of one month "after another were below those of the corresponding month of the previous "year, they certainly felt that a very serious and difficult task might be entailed "upon them; for I believe, if there is any sentiment stronger than another in "the minds of the people in this country, as represented not only by support-"ers of the Government, but by honourable gentlemen on that side, it *is that* "*we shall not permit any deficits to arise*, but if the ordinary revenue falls short "of the expenditure, we must manfully look the difficulty in the face, and be "prepared, by exceptional taxation, if need be, to supplement the deficiency. "We cannot but feel it to be one of our first duties *so to equalize the revenue* "*and expenditure that our credit abroad shall not be injured by its being supposed* "*that we are willing to allow deficiencies to arise*, without being ready to im-"pose upon ourselves a sufficient burden to meet them. * * * The "present Government would, however, be very recreant to its duty, if, strong "in the majority in this House, and strong, I believe, in the confidence which "the country reposes in us, we should permit it to go abroad that we would "allow a deficit to arise in any year, without being prepared for that year to "submit to the House such further measures of taxation, exceptional and "special, if need be, as would enable us to supply the void. I make these "remarks in order to show the House what were the considerations which "necessarily forced themselves on the attention of the Government, and the "conclusion to which they were driven, that any real deficiency must be sup-"plemented by fresh sources of revenue. They believed, indeed, that, no "matter who occupied the position, any body of men enjoying the confidence "of the people of this country would be prepared to propose such measures, "in the belief that they would be sustained by the House and the country. "But, while entertaining these views, the Government of course felt it their "duty to exhaust every means by which a deficiency could be avoided. They "saw month by month that the revenue was falling short, that there had been "excessive importations in previous years, and that these were being followed "by a corresponding contraction; and they felt it to be their duty, from the

"outset, at all events to try whether by practising the most rigid economy it "was not possible to avoid the threatened deficit. The House will remember "the votes which were placed at the disposal of the Government last year; "and the results which are to be found in the statement I have just placed in "the hands of honorable members will show, I think, that wherever it was "possible to practise economy, wherever it was possible, without undue "damage to the public interest, to forego the performance of a service for "which provision had been made in the votes for the year, the Government "have endeavoured to do it. We contracted no new obligations—we entered "upon no new works—we did exactly as any individual would do who saw "that his income was falling short—we took stock, and determined that while "the public service should be efficiently performed, *we would not incur any "new obligations with respect to public works which might be very much needed "and very desirable, but which, at all events, it was not for the interest of the "country to undertake at a moment when the actual revenue would not enable us "to provide for them.* It will be found by reference to that statement that in "every one of the items which were voted to us last year there is a saving in "the actual expenditure, as compared with the estimate—except only in the "interest on the public debt, which is augmented by reason of our having "borrowed half of the Intercolonial loan. On every one of the other items of "expenditure there is a saving on the charges of management of the public "debt—premium and discount, civil government, administration of justice, "police, penitentiaries, legislation, marine hospital and mariners' fund, militia "and enrolled force, arts, agriculture and statistics, public works, ocean and "river steam service, light-houses and coast service. So, too, with the item of "fisheries, miscellaneous, collection of revenue, etc.; and the result is, that by "the exercise of economy—by forbearing to undertake new works, by cutting "down expenditure wherever we could cut it down—we show a balance in "favour of the year's operations of Two Hundred and Seventy Four Thousand, "and Thirty-one Dollars. (Hear, hear, and cheers.) Now, Sir, I wish to state that "in arriving at this result, while exaggerating nothing, we have concealed "nothing. There has been no manipulation of accounts, no postponement of "payments."

Sir John Rose saw the danger, and exercised the influence which a gentleman charged with the finances and credit of the country should possess with his colleagues, and the result was, instead of a deficit, a surplus. The course pursued by the present Finance Minister seemed to have been the very opposite. It was surprising that a gentleman with so much force of character as the present Finance Minister should have failed to impress on his colleagues his views and opinions of the depression impending when they succeeded to office. I can only account for it by supposing that the Finance Minister took a more sanguine view of the revenue, after he had increased the taxation, than was justified by the result. No doubt he had a great deal to contend with. His colleagues desired to have handsome amounts placed at the disposal of their departments for expenditure. The Finance Minister had remarked in his Budget speech of 1874:—

"I am aware that some of my honourable friends think this enormous out- "lay need not be gone on with; but I desire to say that these public works "that are in process of construction must be completed in a short time. I "see no purpose to be served by 'cooking' our estimates and apparently re- "ducing the amount chargeable this year in order that it may be swollen the "next. My honourable friend (the Minister of Public Works) has preferred "—and I think he was perfectly right in so doing—to bring down those esti- "mates, to show the obligation placed on him by the action of the late

"Government. * * * I must again repeat that it would be in the last "degree unjust to my hon. friend the Minister of Public Works to hold him "responsible for this state of things, or to ask him to stop works already com- "menced, and to put a reduced sum in the estimates; but when the works "now engaged in are completed, which I expect will be the case in eighteen "months, a considerable saving will be effected in the annual expenditure, "though for this a considerable period of time is necessarily required."

Could there be anything more unbusiness-like or absurd? Suppose a private individual entered upon some improvement of his property, under the impression that his income would enable him to complete it, but in a short time he found that his income was falling off, would he be wise to incur a debt to carry out his plans? Could anything be more imprudent? What is the use of a change of Government unless there can be a change of policy, unless to retrench and economise when necessary? Engagements had been entered into by the late Government of a nature which could be suspended at any moment, yet they were proceeded with by the present Government recklessly, without any regard to the fact that the revenue upon which their execution depended was falling short month by month. Mr. Cartwright found the taxation which he had imposed yielded only One Million, Seven Hundred Thousand Dollars, instead of the Three Millions which he had anticipated; but instead of decreasing expenditure he increased it, throwing all the responsibility on the shoulders of the late Administration. The present Government seems to be perfectly helpless. The only reform, or rather financial change, which they gave to the country was to increase taxation and to change surpluses into deficits. From Confederation to the time of the change of Government in 1873, the amount of Eleven Millions One Hundred and Sixty Thousand Eight Hundred and Forty-four Dollars was expended out of surplus revenue in the construction of public works chargeable to capital. An Administration with such a flowing revenue was surely justified in undertaking public works and paying for them out of the revenue; but when the present Finance Minister anticipated a deficit, and stated so in his Budget speech, there was no excuse for continuing to expend money as lavishly as in the years of plenty. The Government has placed this country in an unfortunate position by the course it has pursued. There is a large deficit, and we are now paying the interest of our debt with borrowed money. A more unsound and perilous condition for any country to be placed in it is impossible to conceive. The taxation of the country has been seriously increased, yet the expenditure has been increased in a still greater ratio. In the Budget speech of 1876, Mr. Cartwright was still hopeful, as he had been from his accession to office—but less sanguine, on the whole; the hues are not exactly roseate, but they are still hopeful. Mr. Cartwright began then to excuse the present Government for not having retrenched, as they were pledged to do. He had to acknowledge the existence of a large deficit, but still blamed the late Government. In his Budget speech the Finance Minister estimated the revenue for the current year (1877) at Twenty-three Millions, Two Hundred and Fifty Thousand Dollars, and the expenditure at something less. It is usual, as the House is aware, for the Finance Minister, in his Budget speech, to revise the estimates of the preceding session, but Mr. Cartwright omitted to do this in his speech of February, 1877, though between seven and eight months of the current fiscal year had then elapsed. Parliament was, therefore, left in ignorance of his revised estimate of the revenue and expenditure, of whether in his opinion there was to be a deficit or a surplus at the end of the current financial year. The want of the official revised statement is a serious want, and, in fact, it is impossible to complete comparisons without it. I have obtained statements of the revenue up to the 10th of February, for the years 1876 and 1877. The revenue up to

the 10th of February, 1876, was Twelve Millions, Eight Hundred and Twenty Thousand, Eight Hundred and Seventy-five Dollars, and for the same period of the current year it was only Twelve Millions, Four Hundred and Ninety-four Thousand, Two Hundred and Seventy-nine Dollars, showing a falling off, as compared with the preceding year, of Three Hundred and Twenty-six Thousand, Five Hundred and Twenty-six Dollars. Mr. Cartwright had estimated the revenue from customs for the current year at Thirteen Millions, Five Hundred Thousand Dollars; up to the 10th of February it had only reached Seven Millions, and Eighty-two Thousand, Two Hundred and Twenty-seven Dollars, which was at a rate of about Eleven Millions, Five Hundred Thousand Dollars for the year, instead of Thirteen Millions, Five Hundred Thousand Dollars. It is quite true that the spring importations are coming in, and the duties upon them will increase the average revenue for the remaining months of the financial year very considerably, but whether they will increase it sufficiently to bring it up to Mr. Cartwright's estimate is very doubtful. Notwithstanding all that has been said about retrenchment and economy, the estimates for the ensuing year show an increase over those of the current year. The estimates for the current year—and that was without supplementary elements—amounted to Twenty-three Millions, Thirty-one Thousand, Six Hundred and Ninety-nine Dollars; for next year they amount to Twenty-three Millions, One Hundred and Sixty-seven Thousand, Six Hundred and Eighty-six Dollars—not a large increase, but they are exclusive of supplementary estimates also, which have yet to be brought down, and which I fear will be very considerable. It is, therefore, probable that we shall have to face a deficit for the ensuing year as well as for the current year. I will now turn to another branch of the subject, and show the extent and manner in which the controllable expenditure has been increased since 1873. I would not have gone into this again this session if it had not been for the way in which the Government and its friends treated the subject when I brought it before the Senate early in the session:—

The hon. Senator opposite (Mr. MacMaster) then said "he thought the "course followed by the hon. gentleman from Toronto (Mr. Macpherson) was "unusual and unfair; that he had taken many members by surprise; and they "could have met several points successfully had proper time been given them "to prepare for the debate. The comparison instituted between 1873, and "1875, and 1876, was entirely unfair and unreasonable. In the first place the "late Government went out of office in November, 1873, and their successors "were acting upon their estimates. He did not want it to be understood he "was either defending or finding fault with any Government, but he liked to see "what was fair. * * With regard to the increased expenditure in the de-"partments, he knew that it was partly due to appointments made by the late "Government. He knew large establishments in which parties were appointed "who had nothing whatever to do, and if they had to work, were utterly "incompetent to do it. * * * * * With regard to the "matters alluded to, if time had been given to go into figures, and make fair "comparison, it would not appear so unfavourable to this Government, as the "honourable gentleman had sought to make the House believe. He con-"curred in the opinion that it was absolutely necessary, in the present state of "the country, for the Government and everyone to be as economical as "possible, but it must be borne in mind the Dominion is pledged to build the "Pacific Railway."

Now, that was a very broad denial of my statement, and the honourable Senator should be in a position to-day to prove what he then said. There has been ample time since then to prepare a reply, if reply be possible.

The honourable Senator, having denied the correctness of my statement, should have taken the earliest opportunity to show wherein it was inaccurate; because, if inaccurate, it should be corrected. It is not desirable that an error in so important a matter should go uncorrected. But my statement contained no error, and no attempt has been made to disprove it. I will show that the denial of its correctness by the honourable Senator was unsupported by facts.

I will now submit a statement of the details of increases of expenditure charged to consolidated revenue fund and largely within the control of the Government of the day, for 1875 and 1876 over 1873, and of 1876 over 1875. In this comparative statement I exclude all items connected with the public debt—interest, management of the debt and sinking fund. I also exclude items that might not be considered fairly within the control of the Administration, such as Militia; and throughout these statements I will compare the last complete year of Sir John Macdonald's Administration, 1873, with Mr. Mackenzie's complete years of 1875 and 1876.

THE FOLLOWING STATEMENT SHOWS THE INCREASES IN EXPENDITURE CHARGED TO CONSOLIDATED REVENUE FUND FOR 1875 AND 1876 OVER 1873, AND FOR 1876 OVER 1875, UNDER THE FOLLOWING HEADS, BEING ITEMS WHICH ARE LARGELY WITHIN THE CONTROL OF THE GOVERNMENT. (PUBLIC DEBT CHARGES NOT INCLUDED)

DEPARTMENTS.	Increase 1875 over 1873.	Increase 1876 over 1875.	Increase 1876 over 1873.
Civil Government	$148,391	....	$ 91,121
Administration of Justice	98,439	$ 46,686	145,025
Police and Penitentiaries	71,682	....	4,968
Legislation	....	54,957	12,743
Geological Survey	29,199	3,226	32,425
Arts, Agriculture, etc	....	47,416	9,488
Immigration and Quarantine	15,402	83,075	98,477
Marine Hospitals	10,871	1,950	12,821
Pensions and Superannuations	38,721	70,874	109,598
Ocean and River Steam Service	....	93,057	90,339
Fisheries and Light-houses	9,881	97,191	75,778
Inspection Insurance Co's. etc	....	8,914	8,032
Subsidies to Provinces	829,362	....	768,956
Public Works	159,462	191,866	351,328
Miscellaneous	18,229	91,537	109,866
Indian Grants and Manitoba Surveys	131,513	108,639	212,549
Mounted Police (established 1874)	333,583	35,935	369,518
Boundary Surveys (begun 1874)	121,741	12,364	134,105
Customs and Excise	142,457	57,441	199,898
Weights and Measures	69,969	29,816	99,785
Public Works, Including Railways	633,388	....	548,312
Post Office	452,995	101,966	554,961
Minor Revenues	......	3,111	2,778

Increase of **1875** over **1873**............**$2,960,336**
Increase of **1876** over **1875**............ **717,062**
Increase of **1876** over **1873**............ **3,677,398**

This statement shows that the expenditure of 1876 exceeded that of 1873 by the large sum of $3,677,398; that the expenditure of 1875 exceeded that of 1873 by the sum of $2,960,336, while that of 1876 exceeded that of 1875 by the sum of $717,062. These net increases are enormous—I say net increases, because all the decreases have been deducted. But I am not going to hold the Government responsible for the full amount of the increase of 1876 over 1873—$3,677,398—for, as I have already shown, statutory increases of expenditure were made in 1873, and provided for by Mr. Tilley. Mr. Cartwright stated this amount to be about $1,500,000. The increases fairly chargeable against the present Government are as follows:—

Net increase of annual expenditure (largely within the control of the Administration) in 1876 over 1873.		$3,677,398
Less expenditure authorized by statute in session of 1873, viz: Increased subsidies to Provinces; increased allowance to the Civil Service; item on account of expense connected with the admission of Prince Edward Island into the Confederation ($100,000), and other statutory increases: stated by the present Minister of Finance, in his budget speech of 1874, at about $1,500,000	$1,500,000	
I will allow for unforeseen increases from 1873 to 1876, inclusive, say......................	377,398	
		1,877,398
Making the increased expenditure upon items largely within the control of the present Administration, in 1876 over 1873		**1,800,000**
This sum capitalized at 5 per cent. would give Thirty-six Millions of Dollars.		
Increase in 1876 over 1875........................	**717,062**	
This sum capitalized at 5 per cent. would give Fourteen Millions, Three Hundred and Forty-one Thousand, Two Hundred and Forty Dollars.*		

I am particular in emphasizing the increase of 1876 over 1875, because there can be no question as to which Government is responsible for it. The present Government have a much larger responsibility than they wish to admit for the increased expenditure of the financial year ending 30th June, 1874. I will now call attention to the expenditure on public works in each Province in the same years:—

* Thus the increase by the present Administration in the controllable expenditure between 1876 and 1873 (One Million Eight Hundred Thousand Dollars) is equal to interest at 5 per cent. on Thirty-six Million Dollars; and the annual burden on the people would be no greater, if instead of increasing the expenditure unnecessarily the Government had borrowed Thirty-six Millions of Dollars. Now, a small portion of this sum, if it had been borrowed and judiciously expended, would have done much to promote the prosperity of the country. The very increase of the controllable expenditure of 1876 over 1875—Seven Hundred and Seventeen Thousand and Sixty-two Dollars is the interest at 5 per cent. on Fourteen Millions, Three Hundred and Forty-one Thousand, Two Hundred and Forty Dollars.

PUBLIC WORKS CHARGED TO CONSOLIDATED REVENUE FUND, SHOWING THE EXPENDITURE IN EACH PROVINCE.

WORKS.	1873.	1875.	1876.
ONTARIO.			
Custom Houses, Post Offices, etc.......	$103,133	$204,928	$259,601
Marine Hospitals, Quarantine and Immigration Stations..................	2,012	2,464	2,000
Penitentiaries, Barracks, etc..........	....	....	58,962
Harbours and Piers..................	209,887	208,486	262,413
Total Ontario..................	$315,032	$415,878	$582,976
QUEBEC.			
Custom Houses, Post Offices..........	$162,975	$146,439	$146,626
Marine Hospitals....................	11,083	16,767	12,695
Penitentiaries, Barracks, etc..........	....	....	15,359
Harbours and Piers..................	9,684	10,753	28,373
Total Quebec..................	$183,742	$173,959	$203,053
NEW BRUNSWICK.			
Custom Houses....................	$28,392	$83,105	$ 29,324
Marine Hospitals..................	3,674	1,640	....
Penitentiaries....................	....	....	10,860
Harbours and Piers................	28,000	56,376	92,609
Total New Brunswick..........	$60,066	$141,121	$132,793
NOVA SCOTIA.			
Custom Houses, etc................	....	$ 3,330	$ 14,086
Marine Hospitals..................	$11,429	7,178	8,200
Penitentiaries....................	....	....	11,000
Harbours and Piers................	100,246	123,497	145,965
Total Nova Scotia..............	$111,675	$134,005	$179,251
BRITISH COLUMBIA.			
Custom Houses....................	....	$ 22,347	....
Marine Hospitals..................	6,614	2,978	....
Penitentiaries....................	....	1,571	78,114
Total British Columbia..........	$6,614	$26,896	$78,114
MANITOBA.			
Custom House, Post Office..........	$ 109	$27,503	$ 40,092
Immigrant Shed....................	6,742	....	....
Penitentiary, Barracks, etc..........	....	65,072	102,563
Total Manitoba................	$6,851	$92,575	$142,655

PUBLIC WORKS CHARGED TO CONSOLIDATED REVENUE FUND, SHOWING THE EXPENDITURE IN EACH PROVINCE.—*(Continued.)*

WORKS.	1873.	1875.	1876.
PRINCE EDWARD ISLAND.			
Harbours and Piers....	....	$5,829	$25,061
Public Buildings....	....	....	3,574
GENERAL ITEMS.			
Public Buildings, general account......	....	$ 14,773	....
Canals, including surveys and inspection	$143,015	25,006	44,343
Improvements of rivers....	18,140	62,737	40,255
Dredging and Dredge Vessels	79,426	195,782	123,100
Telegraphs	9,044	....	4,000
Lighthouse Repairs....	12,218	....	....
Slides and Booms	47,621	20,986	25,428
Roads and Bridges....	13,651	4,000	....
Red River Route	210,974	176,659	88,298
Arbitration and Awards....	9,899	5,258	11,680
Rents, Repairs, and Furniture....	134,345	188,324	169,127
Ottawa Buildings....	39,808	58,000	63,500
Sundries....	195,492	15,287	31,733
Total expenditure on Public Works paid out of Consolidated Fund in **1873**....	**$1,597,613**		
Total expenditure on Public Works paid out of Consolidated Fund in **1875**....		**$1,757,075**	
Total expenditure on Public Works paid out of Consolidated Fund in **1876**....			**$1,948,941**

The following table gives the

EXPENDITURE ON PIERS, HARBOURS AND BREAKWATERS, FOR THE SAME YEARS.

PIERS AND HARBOURS.	1873.	1875.	1876.	Increase 1876 over 1875.	Increase 1876 over 1873.
	$	$	$	$	$
Ontario....	209,887	208,486	262,413	53,927	52,526
Quebec....	9,684	10,753	28,373	17,620	18,689
New Brunswick....	28,000	56,376	92,609	36,233	64,609
Nova Scotia....	100,246	123,497	145,965	22,468	45,719
Prince Edward Island....	....	....	25,061	....	....
Totals....	347,817	399,112	554,421		
Increased Expenditure on Piers, Harbours and Breakwaters in **1876** over **1875**....				**$130,248**	
Increase in Expenditure on Piers, Harbours and Breakwaters in **1876** over **1873** (excluding P. E. Island)....					**$181,543**

This is not the only expenditure under this head, and I am of opinion many works of the kind have been proceeded with for party rather than public considerations. There are three harbours on Lake Huron very near each other—Goderich, Bayfield, and Chantry Island—on which there has been very large expenditure. On Goderich harbour, in 1876, the enormous sum of One Hundred and Twenty-seven Thousand Dollars was expended, and I am told, very unfortunately expended.

Hon. Mr. SCOTT said the contract was given out by the late Administration.

Hon. Mr. MACPHERSON—I do not care what Administration gave it out, the work was under the supervision of the present Government.

Hon. Mr. CAMPBELL—The contractor's name is McEwen, and he is a friend of the present Administration.

Hon. Mr. MACPHERSON—In addition to Goderich, Forty-one Thousand Six Hundred and Twenty-four Dollars was expended last year on Chantry Island, and Eighteen Thousand Nine Hundred and Thirty-eight Dollars on Bayfield, which was only distant about twelve miles from Goderich.

Hon. Mr. SCOTT said Chantry Island as well as Goderich Harbour improvements had been commenced by the late Administration. The contracts were given out the last year they were in office, and the work had been going on ever since.

Hon. Mr. MACPHERSON—It is the expenditure I complain of; and the amount of new expenditures upon works of this class, commenced under the auspices of the present Government, will be seen by the following

STATEMENT OF EXPENDITURE CHARGED TO CONSOLIDATED REVENUE FUND IN 1875 AND 1876, FOR WORKS NOT COMMENCED IN 1874, VIZ:—ON PIERS, HARBOURS, RIVER WORKS, CUSTOM HOUSES, PENITENTIARIES, MARINE HOSPITALS, &c.:—

WORKS.	1875.	1876.
Owen Sound	$ 3,740	$ 5,500
Bayfield	1,917	18,398
Port Stanley	31	4,732
Port Hope	6,945	14,372
Toronto	1,019	2,824
Point du Chene	7,351	7,228
Shippegan	16	6,312
Tignish	2,010	4,557
Souris	5,829	....
Port Albert	6,000	....
Shannonville	2,992	....
Kingston	4,407	....
Picton	6,000	....
Coteau	1,603	....
Bathurst	3,876	....
Tynemouth	2,500	....
Tracadie	6,690	....
Port Medway	4,513	....
Sissiboo	2,500	....
Plympton	1,200	....
Port Darlington	....	5,000
Port Burwell	....	3,422
Oshawa	....	5,000
Carried forward	71,139	77,345

Works.	1875.	1876.
Brought forward	71,139	77,345
Bagotville	....	2,000
Malbie	....	8,000
Eboulements, extension of breakwater	....	7,500
Rivière Blanche	....	873
Baie des Chaleurs	....	3,000
Campobello	....	600
Jordan Bay	5,103	17,465
Trout Cove	....	4,000
Margaree	....	3,000
Harbourville	....	2,000
Broad Cove	....	3,000
Margaretville	....	5,000
Oyster Pond	....	2,000
Michaud and Mark Points	....	97
Cranberry Head	....	2,000
Church Point	....	2,000
Saulierville	....	2,000
New London	....	503
Coville Bay	....	20,000
St. John, N.B., Custom House	3,217	2,081
Montreal	3,426	....
Montreal Examining Warehouse	203	....
Chatham and Newcastle Custom House	1,393	....
London Post Office	3,500	....
Lifting barge, for removing chains, &c	25,000	....
Work Napanee River	....	12,211
Work Detroit River	....	1,346
Increase of General Work on River Improvements over 1874	40,811	18,329
Toronto Immigration Station	475	....
Quebec Marine Hospital	6,008	....
Yarmouth "	6,180	152
Sydney "	157	6,998
St. Catharines "	....	2,000
Levis "	....	2,003
Souris "	....	3,574
Quebec Observatory	1,798	....
Military School, Kingston	....	55,659
Fortifications, Kingston	....	3,303
" Levis	....	15,357
Penitentiary, Kingston	....	3,213
" Maritime Provinces	....	21,860
" Manitoba	....	60,597
" British Columbia	....	78,114
St. Vincent de Paul Penitentiary	....	4,076
Totals	$168,413	$453,256
Add 1875 to 1876		168,413
Gross amount expended in **1875** and **1876**, on works not commenced in **1874** ..	....	**$621,669**

There can be no question as to which Government is responsible for this expenditure. The present Government is wholly responsible for it, and it was incurred in disregard of their pledges to retrench.

The following shows the

EXPENDITURE—CHARGED TO CONSOLIDATED REVENUE FUND—FOR HARBOURS, PIERS, BREAKWATERS, CANAL WORKS, RIVER IMPROVEMENTS, SLIDES AND BOOMS, BRIDGES, HOSPITALS, BUILDINGS, ETC., IN 1874, 1875, AND 1876, WHICH WERE NOT COMMENCED IN 1873:—

WORKS.	1874.	1875.	1876.
Napanee	$ 4,999	$......	$......
Belleville	10,000	......	......
Meaford	4,396	......	......
Inverhuron	1,000	......	......
Port Greville	6,000	......	......
Breakwater Joggings	10,000	......	......
Gaberous Bay	2,000	......	......
Ports George and Williams	3,500	5,000	......
Salmon River	5,000	......	......
Chedabucto	5,000	......	......
Green Cove	2,500	......	......
Pictou Island	2,000	......	......
Digby Pier	2,500	......	......
Big Pond, Cape Breton	2,000	......	......
Morden Pier	5,000	......	......
Wilson Beach	1,000	......	......
Dipper Harbour	10,000	......	......
St. John, New Brunswick	3,500	......	......
Hillsboro Pier	1,500	......	......
Tracadie	......	6,690	......
Big Tracadie	6,000	......	......
Port Albert	......	6,000	......
Tynemouth	......	2,500	......
Port Stanley	......	31	4,732
Collingwood	28,932	267	......
Shannonville	......	2,992	......
Picton Harbour	......	6,000	......
Plympton	......	1,200	......
Bathurst	......	3,876	......
Sissiboo River	......	2,500	......
Sackville	......	500	......
Port Medway	......	4,513	......
Souris, Prince Edward Island	......	5,829	......
Cobourg	203	15,861	23,403
Saguenay	6,000	......	2,000
Baie St. Paul	122	......	8,000
Cow Bay	10,000	25,000	46,458
Owen Sound	......	3,740	5,500
Bayfield	......	1,917	18,398
Port Hope	......	6,945	14,372
Carried forward	$133,152	$101,361	$122,863

Works.	1874.	1875.	1876.
Brought forward......	133,152	101,361	122,863
Jordan Bay........................	......	5,103	17,465
Shippegan	......	16	6,312
Port Burwell........................	......	......	3,422
Port Darlington....................	......	......	5,000
Toronto Harbour....................	......	1,019	2,824
Oshawa	......	......	5,000
Malbaie Pier	......	......	8,000
Eboulements Extensions of Breakwater	......	......	7,500
Riviere Blanche....................	......	......	873
Point du Chene....................	......	7,354	7,228
Campobello	......	......	600
Baie des Chaleurs..................	......	......	3,000
Margaree	......	......	3,000
Bagotville	......	......	2,000
Harbourville	......	......	2,000
Trout Cove	......	......	4,000
Broad Cove........................	......	......	3,000
Margaretville	......	......	5,000
Oyster Pond	......	......	2,000
Cranberry Head....................	......	......	2,000
Michaud and Mark Points..........	......	......	97
Church Point......................	......	......	2,000
Tignish	......	2,010	4,557
Saulierville	......	......	2,000
Colville Bay	......	......	20,000
New London........................	......	......	503
Canal Basin, Ottawa................	4,443	......	......
Lock, Culbute Rapids..............	38,388	......	......
River St. John improvements........	7,480	......	......
River Detroit......................	......	200	1,346
Richelieu River....................	......	21,119	......
Fraser River......................	......	5,739	......
Napanee River	......	......	12,211
Bridge, Fort Garry................	2,967	......	......
Bridge, Portage du Fort............	3,547	......	......
Fenelon River......................	3,090	......	......
Gatineau River	28,716	......	......
Newcastle Dist. Works..............	1,000	......	......
Petewawa River....................	7,713	......	......
Telegraph Cable, British Columbia....	......	9,044	......
Hamilton Post Office..............	9,295	......	......
Montreal Custom House	......	3,426	......
Three Rivers	2,552	......	......
St. John, New Brunswick............	......	3,217	2,081
Miscellaneous, Prince Edward Island..	69,000	......	......
Military School, Kingston..........	......	......	55,659
Observatory, Quebec................	......	1,798	......
Carried forward.......	309,343	161,406	313,541

NAMES OF WORKS.	1874.	1875.	1876.
Brought forward......	309,343	161,406	313,541
Marine Hospital, New Brunswick......	7,765	......	......
" Quebec............	......	6,008	......
" Yarmouth..........	......	6,180	......
" Sydney............	......	157	6,995
" St. Catharines......	......	......	2,000
" Levis..............	......	......	2,003
" Souris.............	......	......	3,574
Toronto Immigration Station........	......	475	......
Penitentiary, British Columbia........	136	......	78,114
" Maritime Provinces......	......	......	21,860
" Manitoba..............	......	......	60,597
" St. Vincent du Paul......	......	......	4,076
" Kingston.............	......	......	3,213
Government House, Fort Garry......	8,308	......	......
Barracks, Battle River..............	......	......	8,000
" Fort Pelly................	......	29,320	33,966
Fortifications, Kingston..............	......	......	3,300
" Levis...............	......	......	15,357
Total amount expended in **1874** upon works not commenced in **1873**	**$327,552**		
Total amount expended in **1875** upon works not commenced in **1873**................		**$203,546**	
Total amount expended in **1876** upon works not commenced in **1873**........................			**$556,596**

The present Government is of course alone responsible for the expenditure upon works commenced in 1875 and 1876, as well as for that upon some of the works commenced in 1874.

I now come to an important and interesting statement—"Public Works, Charges on Revenue," being chiefly for maintenance of the works, for the same years, namely, canals and improvements of Rivers, Railways, etc. In the case of the canals I have separated the salaries of the staff from the charge for labor for maintaining the works. It will be seen that the increase of expenditure in this direction has been large, but I will not trespass upon the patience of the Senate by dwelling upon it. The statement is as follows:—

EXPENDITURE UPON PUBLIC WORKS, CHARGES ON REVENUE, IN 1873, 1875, AND 1876, VIZ., ON CANALS, IMPROVEMENTS OF RIVERS, RAILWAYS, &C. :

WORKS.	1873.		1875.		1876.	
	Salaries.	Labour.	Salaries.	Labour.	Salaries.	Labour.
	$	$	$	$	$	$
Welland Canal	52,035	66,552	58,803	88,540	64,243	81,376
Lachine Canal	32,453	34,301	37,898	30,057	43,010	29,104
Beauharnois	13,106	9,880	15,401	12,153	15,600	17,171
Cornwall	13,946	12,468	14,219	7,098	14,262	6,424
Williamsburg	7,600	7,347	7,722	4,101	8,595	11,690
Burlington Bay	310	....	669	....	300	1,190
Chambly	12,810	11,790	14,559	16,308	12,946	13,273
Ottawa and Rideau	24,300	26,075	28,782	19,700	28,520	14,428
Carillon and Grenville	10,967	8,781	11,424	18,521	12,258	11,477
St. Anne's Lock	3,117	1,261	2,754	4,506	2,879	4,034
St. Our's Lock	2,620	1,575	1,885	1,245	1,926	1,601
St. Peter's Canal	343	6,539	560	889	641	....
Miscellaneous	1,657	5,273	....	....	....	....
Ottawa River Works	14,654	18,394	22,770	59,117	20,104	33,340
St. Maurice Works	16,356	7,092	17,651	9,237	18,251	4,490
Saguenay Works	684	541	863	1,442	1,116	4,025
Newcastle District Works	1,272	4,811	2,250	2,716	2,360	2,302
Sundries	....	440	....	1,090	....	2,185
Inspection of Canals	....	....	1,649	....	1,596	....
Piers below Quebec	....	947	....	1,339	....	18,871
Agent and Contingencies B. C.	....	....	....	....	2,345	161
TOTALS	208,230	224,073	239,859	278,059	250,952	257,142

RECAPITULATION.

ITEMS.	1873.	1875.	1876.
	$	$	$
Total Salaries	208,230	239,859	250,952
Total Labour	224,073	278,059	257,142
	432,303	517,918	508,094
Railways and Telegraphs	1,063,882	1,621,654	1,536,403
Total Expenditures on Canals, Rivers, Railways, &c., charges on Revenue in 1873	**$1,496,185**		
Total Expenditures on Canals, Rivers, Railways, &c., charges on Revenue in 1875		**$2,139,573**	
Total Expenditures on Canals, Rivers, Railways, &c., charges on Revenue in 1876			**$2,044,497**

I now come to the details of expenditure on Civil Government. I have separated salaries from contingencies, and the table is as follows :

DETAILS OF EXPENDITURE ON ACCOUNT OF CIVIL GOVERNMENT.

DEPARTMENTS.	1873.		1875.		1876.	
	Salaries.	Contingencies.	Salaries.	Contingencies.	Salaries.	Contingencies.
	$	$	$	$	$	$
Gov.-General and Lt.-Governors.	99,444	....	110,494	....	112,665	....
Secretary's Office..............	8,240	8,140	11,345	11,075	10,971	15,822
Privy Council..................	15,876	5,033	22,650	5,496	20,732	4,554
Department of Justice	17,367	9,470	21,844	10,852	22,983	4,996
Militia and Defence	37,475	5,764	43,545	11,971	44,071	5,971
Secretary of State.............	37,074	9,394	34,493	12,743	38,702	7,650
Minister of Interior	23,382	3,072	49,344	10,345	48,063	6,138
Receiver-General..............	24,318	3,224	28,839	5,644	28,445	3,669
Inland Revenue	24,778	9,451	30,191	8,715	31,565	5,907
Minister of Finance............	52,382	9,226	56,304	16,611	54,199	14,398
Treasury Board................	3,257	313	3,500	706	4,159	709
Customs	32,267	26,811	36,137	19,375	35,743	17,234
Public Works.................	46,624	13,192	60,526	17,453	56,940	11,320
Public Works Office, B. C.....	5,589	....	2,576	....	....	....
Post Office	74,643	38,850	88,936	40,872	92,460	31,820
Department of Agriculture.....	31,340	12,723	37,674	11,059	35,655	13,500
Marine and Fisheries...........	25,336	10,048	31,326	11,559	32,789	11,911
Sundry Departments...........	....	11,998	....	17,851	....	16,003
Agencies.	....	....	15,442	....	....	....
TOTALS..............	559,392	176,709	685,166	212,327	670,142	171,602

RECAPITULATION.

ITEMS.	1873.	1875.	1876.
	$	$	$
Total Salaries	559,392	685,166	670,142
Total Contingencies	176,709	212,327	171,602
Land Office, Manitoba......................	3,973	11,098	....
Dominion Office, N.S.......................	3,269	....	....
Dominion Office, N.B.......................	4,693	....	....
Stationery and Sundries.....................	2,838	47	251
Civil Service..................................	....	627	....
Total Expenditure on account of Civil Government in **1873**..........................	**$750,874**		
Total Expenditure on account of Civil Government in **1875**..............................		**$909,265**	
Total Expenditure on account of Civil Government in **1876**..			**$841,995**

I have also dissected the contingencies; separating the charge for extra clerks from the other items. It has been stated very positively by the honourable Senator from Toronto (Mr. McMaster) that the public offices were filled by supernumeraries appointed by the late Government just before their

retirement from office; and a similar statement was made by the honourable Senator from Hamilton (Mr. Hope), when the subject was before the House a few weeks ago. It has been made and constantly repeated by the Government and their supporters for years. The Prime Minister himself even has made the same statement, adding that many of the appointments made by the late Administration just before retiring from office had been cancelled by the new Government. If appointments had been improperly made I would not defend them. I presume no officials but those for whom there was work were retained by the new Government. No doubt employment was found for them very soon; but if it be true that many supernumeraries were appointed by the late Government, and remained unemployed, how is it that so many extra clerks were required in the departments? It is impossible to believe that, even extravagant as the present Government is, it would have employed extra clerks while supernumeraries remained idle about the departments. The following statement is a complete refutation of this charge against the late Administration:—

DEPARTMENTAL CONTINGENCIES AT OTTAWA, WITH AMOUNT PAID TO EXTRA CLERKS, (WHICH ITEMS FORM PART OF TOTAL CONTINGENCIES.)

DEPARTMENT.	1873.		1875.		1876.	
	Total Contingencies.	Extra Clerks.	Total Contingencies.	Extra Clerks.	Total Contingencies.	Extra Clerks.
	$	$	$	$	$	$
Secretary's Office	8,140	991	11,075	1,856	15,822	2,673
Privy Council	5,033	....	5,496	....	4,554	....
Justice	9,470	....	10,852	1,100	4,996	325
Militia and Defence......	5,764	956	11,971	1,900	5,971	932
Secretary of State, including Queen's Printer in 1875	9,394	....	12,743	....	7,650	....
Interior..................	3,072	....	10,345	720	6,138	2,162
Receiver-General	3,224	....	5,644	1,370	3,669	9
Inland Revenue...........	9,451	2,142	8,715	3,400	5,907	1,820
Finance	9,226	1,209	16,611	5,838	14,398	8,287
Treasury Board..........	313	....	706	....	709	....
Customs.................	26,811	311	19,375	1,697	17,234	1,433
Public Works............	13,192	2,414	17,453	3,541	11,320	1,578
Post Office..............	38,850	4,677	40,872	14,183	31,820	6,890
Agriculture..............	12,723	551	11,059	2,717	13,500	3,785
Marine and Fisheries	10,048	453	11,559	499	11,911	1,757
Sundry Departments......	11,998	....	17,851	....	16,003	....
Departmental Totals	**176,709**	**13,704**	**212,327**	**38,821**	**171.602**	**31,651**
Contingencies of House of Commons	**104,008**	....	**90,000**	....	**130,000**	....
Total Departmental Contingencies at Ottawa, '73	**280,717**					
Total Departmental Contingencies at Ottawa, '75	....	....	**302,327**			
Total Departmental Contingencies at Ottawa, '76	....	....	....	....	**301,602**	

The payments to extra clerks in 1875 were all but three times as much as in 1873, and nearly two-and-one-half times as much in 1876 as in 1873. It has been alleged throughout the length and breadth of the land that the increased expenditure in the departments was due to the supernumeraries appointed by the late Government before they retired; but the foregoing statement tells a different tale, and fastens the responsibility of the increase upon the present Administration.

The next statement I submit is upon a subject which I, as a layman, feel some delicacy in criticizing—the Administration of Justice. I must, however, call attention to it, for the increased expenditure under this head is enormous:—

Details of Expenditure—Administration of Justice.

Items.	1873.	1875.	1876.
ONTARIO.			
Court of Error and Appeal	$ 2,166	$ 20,999	$ 20,999
" Queen's Bench	14,500	15,999	15,999
" Chancery	14,108	15,999	15,999
" Common Pleas	14,500	15,999	15,999
County Judges	104,521	117,877	117,896
Circuit allowances	11,900	11,800	11,600
Total Ontario	161,696	198,676	198,496
QUEBEC.			
Court of Queen's Bench	24,152	25,999	25,998
Superior Court	78,774	112,743	113,201
Court of Vice-Admiralty	3,031	3,031	3,036
Circuit allowances	13,826	11,632	9,210
Total Quebec	119,784	153,406	151,445
Total Nova Scotia	32,500	32,449	34,099
" New Brunswick	33,649	36,699	36,788
" Manitoba and North-West	6,350	13,949	16,884
" British Columbia	37,318	42,991	40,527
" Miscellaneous	7,666	4,154	14,991
" Prince Edward Island	......	15,077	15,199
" Supreme Court	......	......	35,657
Total expenditure on Administration of Justice, **1873**	**$398,966**		
Total expenditure on Administration of Justice, **1875**		**$497,405**	
Total expenditure on Administration of Justice, **1876**			**$544,091**

The Court of Error and Appeal for Ontario down to 1875 was composed of the nine judges of the Superior Courts of the Province, and was presided over by a retired Chief Judge, whose pension was three-fifths of his former salary; and the sum paid him as Chief Justice in Appeal—Two Thousand

Dollars—made up his salary to what it had been before he retired from the Chief Justiceship of one of the Superior Courts. This was the condition of affairs down to 1875, and the cost of the Court to the country was only Two Thousand One Hundred and Sixty-six Dollars a year. Hon. gentlemen who are not aware of the facts may imagine that this Court of Appeal did its work inefficiently and unsatisfactorily. But the truth is the very reverse of this. So satisfied were suitors, as a rule, that but few of its decisions were appealed from to the Judicial Committee of the Privy Council, and no one of its judgments has ever been reversed. The Judiciary of Ontario occupies a proud pre-eminence among the Judiciaries of the Colonies of the British Empire: no one of the judgments of the Court of Appeal of that Province has been reversed.

Hon. MR. SCOTT said the Court of Error and Appeal was constituted under a statute of the Ontario Legislature.

Hon. MR. MACPHERSON—I am quite aware of that, but Ontario did not not appoint the judges or assign the salaries. I do not believe the Minister of Justice would attempt to evade any of his responsibility in this matter.

Hon. MR. SCOTT—We could not have controlled it in the slightest degree.

Hon. MR. MACPHERSON—I am aware the present Minister of Justice was not in office when the Court was constituted and the judges were appointed; but will the Secretary of State say that Court was constituted without the express sanction of Mr. Blake?

Hon. MR. SCOTT said on the same principle the Minister of Justice would be held responsible for the appointment of additional judges in Quebec the following year, and for the appointment of County Court Judges in Nova Scotia.

Hon. MR. MACPHERSON—There is no analogy between the cases. The Minister of Justice does not possess the same influence in Quebec or Nova Scotia that he does in Ontario. He is not the leading member of the Bars of those Provinces as he is of the Bar of Ontario. No Legislature of Ontario would have ventured to constitute a Court for that Province without the express sanction of the present Minister of Justice; and no judges would have been appointed without his being consulted. One of the charges against the late Hon. Sandfield Macdonald's Government in Ontario was, that it held too intimate relations with the Dominion Government of that day. I am not aware that any fact has ever been brought to light to prove that those relations were prejudicial to the public interest. Can as much be said for the present Government of Ontario and the Mackenzie Administration? The cost of Sir John Macdonald's Court of Appeal for Ontario was Two Thousand One Hundred and Sixty-six Dollars a year; the cost of the new Court is Twenty-One Thousand Dollars a year, and this does not by any means represent the enormous increase in the cost of litigation, caused by the changes.* When the Government of the day intended to create a Supreme Court for the Dominion, at a cost of Thirty-Five Thousand Six Hundred and Fifty-Seven Dollars, they should not, I submit, have created a Court of Appeal for Ontario, but should have appointed additional judges, if necessary, in the existing Courts. I believe there never was such an opening for law reformers in Ontario as at present. In saying this, I do not wish to detract in any way from the Minister of Justice, who stands at the head of his pro-

* The changes in the system of judicature, effected by the present Government of Ontario and of the Dominion, promoting, as they do, appeal after appeal from Court to Court up to the Supreme Court at Ottawa, have increased enormously the cost of the Administration of Justice to litigants as well as to the public.

fession, and is a great lawyer; but history tells us that all great lawyers have not been successful law reformers. I now come to the expenditure in the Customs Department:—

CUSTOMS—DETAILS OF EXPENDITURE FOR 1873, 1875 AND 1876.

PROVINCES.	1873.	1875	1876
Ontario	$183,505	$217,051	$226,874
Quebec	176,985	196,592	211,285
New Brunswick	73,353	94,716	93,457
Nova Scotia	93,970	100,712	105,098
Manitoba	8,352	12,039	12,989
British Columbia	24,477	19,056	23,323
Prince Edward Island	....	22,727	25,548
Total Expenditure for **1873**	**$567,675**		
Total Expenditure for **1875**		**$682,673**	
Total Expenditure for **1876**			**$721,008**

It will be observed that while the revenue from Customs has very greatly decreased, the cost of collecting it has steadily increased. The cost of collecting this branch of the revenue in 1876 was Thirty-eight Thousand Three Hundred and Thirty-five Dollars more than 1875, while the revenue for the same period fell off Two Million Five Hundred and Twenty-Seven Thousand One Hundred and Seventy-four Dollars. The present Government is of course alone responsible for the expenditure of last year, and I should like to hear a reasonable explanation of the increased cost of collecting the Customs revenue.

I will take the Excise Department next. Under the circumstances it is extraordinary. In it the expenditure has been as follows:—

EXCISE—DETAILS OF EXPENDITURE FOR 1873, 1875 AND 1876.

ITEMS.	1873.	1875.	1876.
ONTARIO.			
Salaries	$76,791	$94,066	$92,119
Contingencies	12,005	16,891	24,030
Total Ontario	88,796	110,957	116,149
QUEBEC.			
Salaries	25,299	30,968	31,349
Contingencies	4,752	6,651	7,901
Total Quebec	30,051	37,619	39,250

ITEMS—(*Continued*).	1873.	1875.	1876.
NOVA SCOTIA.			
Salaries	6,203	7,900	7,275
Contingencies	535	2,724	3,455
Total Nova Scotia	6,738	10,624	10,730
NEW BRUNSWICK.			
Salaries	5,139	7,150	6,885
Contingencies	871	1,399	1,380
Total New Brunswick	6,010	8,549	8,265
Total Salaries	113,432	140,084	137,628
Total Contingencies	18,163	27,665	36,766
Manitoba	1,924	3,998	4,253
British Columbia	1,285	5,318	6,208
Prince Edward Island	....	3,056	3,829
General Expenses	36,900	19,132	29,675
Total Expenditure for **1873**	**$171,704**		
Total Expenditure for **1875**		**$199,253**	
Total Expenditure for **1876**			**$218,359**

It will be seen that the expenditure in this department has largely increased since 1873; the contingencies have actually more than doubled. It is incredible that the necessities of the service called for so large an increase in expenditure.

I now come to the Department of Immigration and Quarantine. I believe no money has been spent by this Government from which the country has got a smaller return. I hope the Minister at the head of that Department will tell the House why it is so.

The following letter, from the then Agent-General of Canada, published in the London *Times* of 12th July, 1875, when the Premier was in England, must have checked emigration to Canada :

"EMIGRATION TO CANADA.

" *To the Editor of the Times:*

" SIR,—Will you permit me to make, through the columns of the *Times*, an intimation " which may serve to prevent a great deal of disappointment and trouble ? The advices " which I have from Canada, both privately and in the press, as well as from gentlemen " who have lately arrived from there, show that in the present state of commerce and " trade in the Dominion, and especially at so late a period of the emigration season, it is " not advisable to encourage the emigration from this country of artisans, mechanics, clerks, " and general labourers to Canada. These persons, arriving in the middle of July or in the " beginning of August, will find a depressed state of trade and a lack of general employ- " ment ; and unless they have extraordinary energy and self-reliance, or sufficient means to " sustain themselves for a considerable time, they may find themselves forced to face a " Canadian winter with no prospect of employment. To encourage emigration of such " persons, in such circumstances, would be almost criminal, and equally disastrous to the " emigrants themselves and to the interests of Canada. I am, however, advised that there

"is still one interest which continues to flourish, and that there is still a healthy demand "for agricultural labourers. I do not, therefore, desire to discourage the emigration of these "classes, provided that they do not take out with them large families. But still I deem it "advisable to announce that the Canadian Government will not press during the approach-"ing autumn for a large exodus even of these classes. For female domestic servants there "is always a demand, at good wages in Canada, and it would be safe for them to go at any "time. I am assured that in a few months the unsatisfactory condition of the labour "market in Canada will have been greatly altered, and I hope soon, in view of the public "works which are projected, and the increasing prosperity of the Dominion, to be able "again to recommend to English labourers of all classes the selection of Canada as their "home. In the meantime, the efforts of the Canadian agents will be devoted, during the "autumn and winter, to preparation for a large emigration in the spring, and I shall cause "registers to be opened by the Government agents in all parts of the country, to which "laborers of all kinds may send their names, descriptions and copies of testimonials, which "will be forwarded to the Government agents in Canada, with a view to enabling them to "transmit to this office any offers that may be make by the local employers to secure the "services of such persons. The details of this arrangement, however, will be otherwise "announced.

"I am, sir, your obedient servant,

"EDWARD JENKINS,
"Agent-General.

"Canada Government Buildings,
"Westminster, July 9."

In the face of such a circular as that, how could we expect immigration to flow into this country? Could anything be more ill-advised, or exhibit greater ignorance of the field which Canada offers to immigrants? This country is specially adapted for workingmen with large families. It will cost the country a large sum to restore the stream of immigration diverted by this unwise advertisement. It gives to the Immigration Agents of other countries a strong argument against Canada. The following statement shows the expenditure of the Department, and the cost of the immigrant *per capita* :—

DETAILS OF IMMIGRATION AND QUARANTINE FOR 1873, 1875, AND 1876.

ITEMS.	1873.	1875.	1876.
Total expenditure	$277,368	$302,770	$385,845
Quarantine items	11,871	13,768	12,233
Total in 1876 on account of Mennonites:			
Transport	....	....	38,761
Loan	....	....	57,670
			$96,431
Total number of Immigrants by the St. Lawrence route for 1873	**36,901**		
Total number of Immigrants by the St. Lawrence route for 1875	....	**16,038**	
Total number of Immigrants by the St. Lawrence route for 1876	....	....	**10,901**
Cost per head in **1873**	**$7 76**		
Cost per head in **1875**	....	**$18 90**	
Cost per head in **1876**	....	....	* **$26 55**

*This is based on expenditure, less the amount paid to the Mennonites. Adding cost of *transport* of Mennonites, but excluding the loan, the cost *per head* of all immigrants for 1876 was Thirty Dollars and Ten Cents.

In this statement I have not included the immigrants who entered Canada by the Suspension Bridge—who were people passing through from New York to the Western States, or who came to reside temporarily in Canada, and whose effects were admitted duty free when they described themselves as settlers.

The appointment of Mr. Jenkins as Agent-General was an unfortunate step. The immigration now is almost nominal, while the expenditure continues enormous; and why this is allowed I hope the Minister of Agrirculture will be able to explain. Not only have large sums been paid to promote immigration, but a large amount has also been paid for emigration, or what is called euphoniously "repatriation." When repatriation was first spoken of in this country, I understood it to mean encouragement which was to be offered to French Canadians who had left Canada for the United States, under a misapprehension, and who desired to return and settle in their own country, but had not the means. But if there was a willingness to do this, I did not suppose that Canada was going to assist people to return to Europe. The expenditure was voted by Parliament for the purpose of bringing people into the country, and not for sending them out of it, but I find in the public accounts that the sum of Five Thousand Four Hundred and Sixty-Four Dollars and Forty-nine Cents has been expended in aiding foreigners to return to their native land. I consider such expenditure most unwarrantable, because there are ample opportunities afforded to industrious people to make a comfortable living for themselves and their families in this country. The expenditure was unwise, and was a misapplication of the money of the tax-payers of this country. The next matter of detail to which I will call attention is the expenditure under the Weights and Measures Act. This measure was passed by the late Government, and the then Finance Minister, Sir Francis Hincks, estimated the expenditure at Fifty Thousand Dollars; but it has cost Ninety Thousand or One Hundred Thousand Dollars a year since it was put in operation.

Hon. Mr. Scott—The fees are not credited in that account; they are paid into the Consolidated Fund.

Hon. Mr. Macpherson—The present Government was premature in putting this Act into operation. There was nothing in the Act requiring that it should go into operation until the country was prepared for it. It required the proclamation of the Governor-General to put it into operation, and that proclamation must have been issued upon the advice of the present Government. I think the Government will find it a difficult matter to justify this expenditure. The truth is that wherever it could be done, or under whatever Act it was possible to dispense patronage, it was dispensed, and every plausible excuse was advanced to justify and excuse it. The consequence is the enormous increase in the public expenditures under the auspices of the present Government, to which I am now calling attention.

Hon. Mr. Scott—There were certain limitations in the Act as to the kind of weights and measures to be enforced after 1874.

Hon. Mr. Macpherson—It was not obligatory on the Government to enforce the new Act until the circumstances of the country rendered it desirable.

The next statement which I propose to submit will be interesting in itself rather than reflecting upon any Government. It is a comparative statement of the public debt and the interest thereon since 1873:

COMPARATIVE STATEMENT, PUBLIC DEBT AND INTEREST.

PUBLIC DEBT.	TOTALS.	Increases.	INTEREST ON DEBT.	TOTALS.	Increases.
	$	$		$	$
Total debt, 1873...	129,743,432		Total interest, 1873.	5,549,374	
Increase, '73 to '74.	....	11,420,119	Increase, '73 to '74.	.. ..	573,470
Total debt, 1874...	141,163,551		Total interest, 1874.	6,122,844	
Increase, '74 to '75.	....	10,499,850	Increase, '74 to '75.	....	217,212
Total debt, 1875....	151,663,401		Total interest, 1875.	6,340,056	
Increase, '75 to '76.	... .	9,541,286	Increase, '75 to '76.	....	413,115
Total debt, 1876 ...	161,204,687		Total interest, 1876.	6,753,171	
Total increase of debt in 1874, 1875, and 1876		31,471,255			
Total increase of interest in 1874, 1875, and 1876....................					1,203,797

Hon. gentlemen know that interest is charged against the Consolidated Fund; and since the 30th of June, 1873, the increased amount of interest charged to that fund has been One Million Two Hundred and Three Thousand Seven Hundred and Ninety-seven Dollars—not the annual increase, but the total increase of interest during those three years. Hon. gentlemen will here find a confirmation of what I have stated—that the burthens of the people are not being lightened, but grievously increased. My next statement will show the annual expenditure on account of the public debt since 1873:—

ANNUAL EXPENDITURES ON ACCOUNT OF PUBLIC DEBT COMPARED SINCE 1873

	1873.	1874.	1875.	1876.
	$	$	$	$
Interest	5,209,205	5,724,436	6,590,790	6,400,902
Management and Exchange	178,644	264,683	227,200	208,147
Sinking Fund	407,826	513,920	555,773	822,953
Total Expenditure on account of Public Debt in 1873	$5,795,675			
Total Expenditure on account of Public Debt in 1874		$6,503,039		
Total Expenditure on account of Public Debt in 1875			$7,373,763	
Total Expenditure on account of Public debt in 1876..................................				$7,432,002

Hon. Mr. WILMOT—I should like to know whether the amount paid into the Sinking Fund is an asset?

Hon. Mr. MACPHERSON—It is an asset in a certain sense, but can

not be used. It is so much paid in and accumulating to pay the debt. It is chargeable against income. The interest, Sinking Fund and other charges amounted to Seven Million Four Hundred and Thirty-two Thousand and Two Dollars for the year ending the 30th of June last, being an increase of One Million Six Hundred and Thirty-six Thousand Three Hundred and Twenty-seven Dollars over 1873.

Hon. Mr. SCOTT—Chargeable to this Government?

Hon. Mr. MACPHERSON—The loans were negotiated and the expenditure made under this Government. I do not intend this statement as a reflection on any Government, though the expenditure has been incurred by the present Administration. My object in submitting the statement is to call the attention of Parliament and of the country to the enormous rate at which the burthens of the people are being increased. I do so in the hope that the Government, Parliament and the people will see that they will have to be prudent, and that they should hesitate before they expend Twenty Million Dollars between Lake Superior and Red River, which would increase the annual taxation, for interest alone, One Million Dollars, to say nothing of the enormous annual loss that would result from working the railway.

INCREASE OF ANNUAL EXPENDITURE ON ACCOUNT OF PUBLIC DEBT SINCE 1873

	Increase in 1874.	Increase in 1875.	Increase in 1876.	Increase 1876 over 1873
Interest paid on Public Debt....	$515,231	$866,354	decrease 189,888	$1,191,697
Management and Exchange	86,039	decrease 37,483	decrease 19,053	29,503
Sinking Fund.............. ..	106,094	41,853	267,180	415,127
Total increases	$707,364	$908,207	$267,180	$1,636,327
Less for decreases	....	37,483	208 941	....
Net increase in 1874	$707,364			
Net increase in 1875		$870,724		
Net increase in 1876			$58,239	
Net increase of 1876 over 1873				$1,636,327

I ask the hon. gentlemen opposite if this increase in the annual burthens in connection with the public debt is not a serious matter? I look upon it with alarm when I consider the unprofitable and useless objects for which this capital is being expended.

Hon. Mr. WILMOT—Hear, hear.

Hon. Mr. MACPHERSON—I will submit a comparative statement of expenditure charged to capital account in the years 1873, 1874, 1875 and 1876; also a comparative statement of Revenue and Expenditure since Confederation, showing the surplus or deficit for each year, and a statement of Capital Expenditure for the same period. These statements are interesting in themselves:—

Items of Expenditure charged to Capital in Public Accounts, in the years 1873, 1874, 1875, and 1876.

	Totals.	Name of Work.	1873.	1874.	1875.	1876.
	$		$	$	$	$
Canals	3,445,299	Welland Canal	82,282	746,420	1,047,119	1,569,478
	691,631	Lachine Canal	7,824	158,618	197,420	327,769
	82,173	Beauharnois Canal	33,241	26,541	22,391	....
	794,365	Carillon and Grenville Canals	132,822	190,323	249,512	221,708
	9,448	Baie Verte	4,877	4,018	443	110
	250,157	Carillon and Chute à Blondeau	376	54,935	90,352	104,494
	70,315	St Ann's Lock	....	12,758	32,627	24,935
	11,473	Rideau	....	....	9,310	2,163
	140,501	Lock at Culbute Rapids	....	....	63,659	76,842
	2,415	Chambly	....	....	2,415	....
	11,145	St. Peter's	....	....	20	11,125
	50,215	St. Lawrence	....	....	....	50,215
	5,559,137					
Parliament Buildings	692,792	Library	35,931	49,604	42,941	40,067
		Tower and ground	63,585	86,359	47,858	78,088
		Walls and workshops	....	....	48,070	12,670
		Extension West Block	....	....	27,254	100,000
		Fire walls and water service	....	....	23,358	37,013
Pacific Railway	2,137,692	Survey	561,818	310,224	474,529	791,121
	83,940	Fort Francis Locks	....	....	7,411	76,529
	2,724,201	Steel Rails	....	....	1,012,789	1,711,412
	3,544	Sundries	....	....	3,544	....
	215,844	Telegraph line	....	....	28,560	187,284
	113,055	Lake of Woods and Rainy River	....	....	....	113,055
	195,370	Fort Garry and Pembina	....	....	19,405	175,965
	179,804	Fort William to Shebandowan	....	....	....	179,804
	111,394	Georgian Bay Branch	....	....	....	111,394
	5,764,844					
		North-West Territories	63,238	....	....	....
Intercolonial	11,889,295	Intercolonial	4,827,188	3,417,661	2,645,460	998,991
Government Railways	88,632	P. E. I. Railway	....	....	46,086	42,546
	1,279,309	Nova Scotia and New Brunswick	192,065	197,236	780,638	109,330
Total spent 1873 to 1876	25,337,241	Totals	**6,005,240**	**5,254,698**	**6,923,185**	**7,154,118**

General Summary.

Totals.	Items.	1873.	1874.	1875.	1876.
$		$	$	$	$
5,559,145	Canal Works	261,430	1,198,608	1,715,268	2,388,839
5,828,082	Pacific Railway	625,056	310,224	1,546,288	3,346,564
11,889,325	Intercolonial Railway	4,827,183	3,417,667	2,645,474	999,001
1,279,259	Gov't. Railways, N. S. and N. B.	192,055	197,286	780,638	109,330
88,632	P. E. I. Railway	....	....	46,086	42,546
692,798	Parliament Buildings	99,516	135,963	189,481	267,838
25,337,241	Total Expenditure charged to Capital in Public Accounts in **1873**	**6,005,240**			
	Total Expenditure charged to Capital in Public Accounts in **1874**	....	**5,254,698**		
	Total Expenditure charged to Capital in Public Accounts in **1875**	....	....	**6,923,185**	
	Total Expenditure charged to Capital in Public Accounts in **1876**	....	....	....	**7,154,118**

N.B.—Total for Intercolonial to 30th June, 1876, Twenty-one Millions Five Hundred and Eighty-two Thousand One Hundred and Eighty-eight Dollars. Total for Pacific Railway to same date Six Millions Two Hundred and Fifty-four Thousand Two Hundred and Eighty Dollars. These amounts include expenditure previous to 1873, not shown above.

COMPARATIVE STATEMENT OF THE REVENUE AND EXPENDITURE OF EACH FINANCIAL YEAR SINCE CONFEDERATION.

EXPENDITURE AS PER PUBLIC ACCOUNTS.	1867-68.	1868-69.	1869-70.	1870 71.	1871-72.	1872-73.	1873-74.	1874-75.	1875-76
	$	$	$	$	$	$	$	$	$
Charges for management of Debt, Interest and Subsidies	7,969,990	8,403,527	8,102,191	8,638,565	9,004,362	8,717,076	10,255,798	11,124,726	11,122,359
Ordinary Expenditure	3,630,298	3,459,485	3,891,592	4,610,401	5,873,519	7,062,095	8,324,076	7,868,690	8,569,774
Charges on Revenue	1,885,804	2,175,071	2,351,724	2,374,114	2,711,587	3,395,475	4,736,442	4,719,654	4,796,238
Total charged to Consolidated Fund	13,486,092	14,038,084	14,345,509	15,623,081	17,589,468	19,174,647	23,316,316	23,713,071	24,488.372
Total Receipts of Revenue as per Public Accounts	13,687,928	14,379,174	15,512,225	19,335,560	20,714,813	20,813,469	24,205,092	24,648,715	22,587,587
Yearly surpluses	201,836	341,090	1,166,716	3,712,479	3,125,345	1,638,822	888,776	935,644	....
Deficit	....	....	....	....	....	....	....	....	1,900,785

RECAPITULATION OF SURPLUSES.

SURPLUS—Financial year 1867-68	$ 201,836
" " " 1868-69	341,090
" " " 1869-70	1,166,716
" " " 1870-71	3,712,479
" " " 1871-72	3,125,345
" " " 1872-73	1,638,822
" " " 1873-74	888,776
" " " 1874-75	935,644
Total amount of Surpluses since Confederation	$12,010,708

DEFICIT—Financial year 1875-1876 (ending 30th June, 1876) $1,900,785

CAPITAL EXPENDITURE, AS PER PUBLIC ACCOUNTS, FOR EACH FINANCIAL YEAR SINCE CONFEDERATION.

	1867 68.	1868–69.	1869–70.	1870–71.	1871–72.	1872–73.	1873–74.	1874–75.	1875–76.
	$	$	$	$	$	$	$	$	$
Miscellaneous Public Works......	524,126	325,127	281,630	....	461,969	552,998	1,526,811	2,731,482	2,808,560
Pacific Railway...	....	....	....	....	489,428	561,818	310,224	1,546,241	3,334,567
Intercolonial Railway	50,081	169,782	1,567,586	2,866,376	5,039,063	4,827,183	3,417,661	2,645,460	998,991
North-West	....	19,113	1,821,887	773,871	241,888	63,238	....	....	....
Total Expenditure on Works.....	574,208	514,203	3,671,104	3,640,248	6,236,349	6,005,240	5,254,698	6,923,185	7,154,118
Debts allowed Provinces........ ..	....	....	....	....	1,662,200	13,859,079	4,927,060	....	....
Total Capital Expenditure...... ..	574,208	514,203	3,671,104	3,640,248	7,898,549	19,864,319	10,181,758	6,923,185	7,154,118
Increase and Decrease of Debt....	+28,493	+102,184	+2,350,423	−503,224	+4,480,554	+17,661,389	+8,476,502	+7,683,413	+8,543,136
Capital Expenditure from Income..	545,714	411,838	1,320,681	4,143,472	3,417,995	2,202,929	1,705,256	−760,228	−1,389,017

RECAPITULATION OF CAPITAL EXPENDITURE.

Total Capital Expenditure on Miscellaneous Public Works since Confederation........	$ 9,212,706
Total Capital Expenditure on Pacific Railway since Confederation........	6,254,280
Total Capital Expenditure on Intercolonial Railway since Confederation........	21,582,188
Total Capital Expenditure on works in North-West Territory since Confederation........	2,920,000
Total Debts allowed Provinces since Confederation........	20,452,340
Total Capital Expenditure since Confederation........	60,421,515
Net increase of Debt since Confederation........	48,822,872
Total Capital Expenditure from Income........	11,598,643
Expenditure on Public Works in former years, transferred from Capital Account to Consolidated Fund in 1870-71	317,680
Amount of Income expended on Public Works, properly chargeable to Capital, and thereby *pro tanto* avoiding the increase of the Public Debt........	**$11,280,962**

I think the foregoing statements will be useful and interesting to the country. They are not exhibited with the intention of blaming any Government, as the works have been carried on under Acts of Parliament, and the Government was only bound to see that they were conducted in an economical manner. Whether the Government have done that or not is best known to themselves, but from all that has been discovered of the wasteful expenditures of the present Government, I think the House can not be blamed if it incline strongly to the opinion that the whole might have been done much more economically. Many items of expenditure are wholly indefensible. I believe I have proved that the statement made by the Prime Minister in another place was not correct. A portion of the public burdens may be changed from one column to another of the Public Accounts, but the burdens will remain undiminished and will increase. If the hon. Secretary of State can prove the facts to be otherwise, I shall be very glad. I have not the advantage of the Finance Minister's revision this session of the estimate of revenue brought down by him last session. I have proved that down to 1873 the finances of the country were in a sound and easy condition; that the Government of that day was perfectly justified in undertaking the construction of works, payable out of income, which they proceeded with; that the surpluses during the six years they were in office amounted to the enormous sum of Eleven Millions One Hundred and Sixty Thousand Eight Hundred and Forty-four Dollars;* that not only were the works properly chargeable to income paid for out of income, but that a large amount was paid out of income which was fairly chargeable to capital, thus avoiding *pro tanto* the expenditure of capital; that Mr. Tilley made provision for the estimates—supplementary estimates—and for the increased statutory expenditure of the session of 1873; that the surplus of that year and of the following year were ample to cover the expenditure and leave no deficit; that at that time income and expenditure were pretty evenly balanced, but there was no deficit; that the new Government, when it succeeded to office, apparently desiring to increase the expenditure, imposed new taxation, which the Minister of Finance estimated would yield Three Millions of Dollars, but which only yielded One Million Seven Hundred Thousand Dollars; that that was the beginning and the cause of the financial difficulties which resulted in a deficit of Two Millions of Dollars on the 30th June last.

Hon. Mr. SCOTT—Where will I find the supplementary estimates of Mr. Tilley for 1874?

Hon. Mr. MACPHERSON—There were supplementary estimates that year.

Hon. Mr. SCOTT said there was nothing but what appeared in the ordinary estimates. Schedule B and schedule A were for amounts expended from the former year.

Hon. Mr. MACPHERSON—Mr. Tilley mentioned both the expenditure embodied in Acts of Parliament and in supplementary estimates, as quoted before recess. This shows that Mr. Tilley had brought down supplementary estimates,† the items in which and in Acts of Parliament made the increased expenditure of the session of 1873 amount to One Million Five Hundred and Forty-Two Thousand Dollars, according to Mr. Tilley; and to show that that amount was substantially correct, I will quote the following words from Mr. Cartwright's

* Mr. Tilley showed that between Confederation and June 30, 1872, there had been paid out of surplus revenue towards the construction of public works chargeable to capital $9,522,022, to which I add the surplus of 1873, $1,638,822.

† Mr. Tilley's supplementary estimates in the session for 1873 amounted to Five Hundred and Forty Seven Thousand One Hundred and Eighty-Three Dollars.

Budget speech of 1874 :—"The legislation of last session added over One "Million Five Hundred Thousand Dollars to the fixed charges of the coun- "try." The sum of Two Millions of Dollars in schedule A of the Supply Bill of 1874, charged against revenue, I believe was altogether for increased expenditure which the revenue did not cover, and for which the present Government is responsible.

Hon. Mr. SCOTT—No, no! Our contention is that we entered upon no new expenditures, and that it required Two Millions to meet Mr. Tilley's deficiencies.

Hon. Mr. MACPHERSON—The Public Accounts do not bear out that statement. There was a large expenditure in 1875 and 1876 upon works which had not been commenced in 1873 or 1874. The Government have, unquestionably, been extravagant and reckless in their expenditure. They have disregarded the pledges of retrenchment and economy upon which they came into power, and placed the country in financial peril by not providing for the deficit which resulted from their miscalculation, as soon as they discovered it. The expenditure of 1876 over 1875, for which they alone were responsible, amounts to Seven Hundred and Seventeen Thousand and Sixty-Two Dollars.

The object I have in view in bringing this subject under the notice of the House is to show the enormous increase in the controllable expenditure during the last three years, for which the present Administration must necessarily be held responsible. This expenditure increased at the rate of Six Hundred Thousand Dollars per annum; or One Million Eight Hundred Thousand Dollars in the three years. I have given them credit for the expenditure resulting from the legislation of 1873. The actual increased expenditure of 1876 over 1873 was Three Millions Six Hundred and Sixty-seven Thousand Three Hundred and Eight Dollars, of which the present Finance Minister alleges One Million Five Hundred Thousand Dollars resulted from the legislation of 1873. I accept this statement as correct, and I allow Three Hundred and Sixty.seven Thousand Three Hundred and Ninety-eight Dollars in addition, which is a liberal allowance for reasonable and necessary increases. The balance—nearly Two Millions of Dollars—therefore is the amount of the increased controllable expenditure incurred by the present Administration. The correctness of this statement is confirmed by the fact that the actual ascertained increase in controllable expenditure for 1876 over 1875 is Seven Hundred and Seventeen Thousand and Sixty-two Dollars, and that year was entirely within the control of the present Government. This sum multiplied by three would give a considerably larger increase for the three years than I charge against the Administration.

I will refer to one other matter. In the Speech from the Throne, delivered at the opening of the session, the following paragraph found a place :—"Notwith- "standing the loss of revenue, consequent chiefly on the diminution of our "importations, the reductions effected during the current year have gone far "to restore the equilibrium between income and expenditure, though great "economy will still be needful to attain that object." I hope this will prove to be the case.

This session was opened in the beginning of February, at a time when the Government knew that the revenue of the country was falling off; when they knew that it was then less by Three Hundred and Twenty-six Thousand Five Hundred and Six Dollars than it was at the same time last year. They were aware that large additional amounts would have to be charged against the Consolidated Revenue Fund for the increased public debt, that at least Six Hundred Thousand Dollars per annum had been added to it for interest on the new loan negotiated at the end of last year; they knew it was being added to

otherwise, and that, too, in the face of a decreasing revenue which rendered it almost certain that the end of the current financial year would show another deficit instead of any restoration of the equilibrium between revenue and expenditure. I am not, however, going to charge the Ministry with having put words in the Speech from the Throne which they did not believe to be strictly true. To do so would be to charge them with a very grave offence, as great an offence as the advisers of the Crown could commit, for it would be first deceiving the Crown and then employing the Crown as their medium for deceiving and misleading the people. I will not accuse the Government of this offence, but hope, for the sake of the country, that the result will prove the correctness of the words placed in the Speech from the Throne. I shall, no doubt, be charged with partizanship, as I have been before, when I have called attention to the shortcomings of the Government; but the only partizanship I have in this matter is in favour of efficient administration.* This is my only motive, and I think my course in this House while I have had had a seat in it entitles me to expect that my statement will be accepted. I expected an efficient and able administration of the public affairs from the present Government. I put faith in their pledges of political purity, and financial retrenchment; but I have been sadly disappointed, as the country has been.

* Holding a position independent of parties, as I have always done in the Senate, and criticizing measures freely, in the public interest, as I believed, it has been my fate to be charged with partizanship by both Governments, each in turn charging me with being the partizan of the Opposition for the time being. My study has been to be the partizan of neither.

SPEECH

ON THE TARIFF AND LOAN.—DELIVERED IN THE SENATE, OTTAWA, ON FRIDAY, APRIL 27TH, 1877.

I am sorry I cannot allow the Bill to pass at this late hour without detaining the House a few minutes. Changing the Tariff at any time disturbs the trade of the country very seriously. The changes proposed now are few and small—so small that it is impossible to justify them. They are so insignificant that the Government when introducing the Bill ought to have apologized for them. The object, I presume, is to increase the revenue; and the Secretary of State should have told the Senate what additional amount of revenue was required, and how much the changes in the tariff were estimated to yield. There was a deficit of Two Millions on the 30th June last. The Finance Minister has not revised the estimates of revenue made last session during the present session of Parliament, so that the House does not know what he expects will be the result at the end of the present fiscal year. That information should have been furnished to Parliament. There can be little doubt that a new deficit will be found to exist at the end of the year. In view of the deficit of last year, and the certain accruing deficit of this year—amounting together to a very large sum, I fear—it seems trifling to make these changes in the tariff for the small sum they will yield. According to the estimate of the Finance Minister, submitted in another place, they will yield only some Four or Five Hundred Thousand Dollars. If it is intended to supply the deficiency in the revenue by this slight increase of the taxation of the country, the increase is wholly inadequate for the purpose, and it is difficult to imagine any attempt more lame and impotent. The depression throughout the country is wholly unprecedented in the memory of any member of this House. All the enterprises of the country are stagnant and paralyzed. Our financial embarrassment and deficits are increasing. I do not hold the Government altogether responsible for the prostrate condition of commerce; but I contend that if they had a policy, if they had even sympathy for the country, they might mitigate the feeling of despondency which prevails so widely. I know that men of means who are disposed to embark in enterprises in the country are deterred by the fear that if they did so, and became successful, the Government would find some excuse for interfering with their prosperity by taxing them, or in some way acting prejudicially to their interests. It is a very unfortunate opinion or sentiment to be abroad in the country, but it is abroad, and it is not altogether without ground. The oft-referred-to sugar-refining trade is an instance in point. It was encouraged until it became exceedingly prosperous, but so soon as that was the case it became the envy of many, and the Government, who had previously fos-

tered it, turned against it and starved it. The direct tea trade was actually stamped out by Parliament at the instance of the present Government. The Secretary of State seemed to think lightly of this trade, because it employed only one ship.

Hon. Mr. SCOTT—Two, one year.

Hon. Mr. MACPHERSON—Each ship sent to open trade with a foreign country is a pioneer of the commerce of the Dominion. I suppose the great Eastern trade of the United Kingdom did not commence with a fleet such as is employed in it to-day, but with one ship. I am a free trader, but I believe that so long as we have to raise a revenue from customs duties, interests will grow up under the protection thus afforded; and the policy, whether sound or not, under which manufactures grow up should not be suddenly changed, so as to destroy new and important interests. The effect of an uncertain and changing policy is not simply injurious to the interests immediately affected, but it engenders feelings of uneasiness and distrust which prevent men from embarking their capital in enterprises in this country. I contend the people of the Dominion are now suffering from these feelings of uneasiness and of distrust in the Government. The Administration has manifested a desire to meddle in business matters between man and man, and its effect has been injurious. It would be well if the tariff could be understood to be fixed for a term of years, that people might know what they had to depend upon. The frequent changes that are made and the uncertainty that attends the tariff, are unfavourable to the creation of new enterprises, and in this way injurious to the country.* The debt of the country is being increased with alarming rapidity and for unprofitable purposes. Sir Francis Hincks, in 1870, showed it was then Twenty-two Dollars and Fifty Cents per head. In 1873, Mr. Tilley said the debt, per head, had not increased. But in 1876 the debt had increased to Thirty-seven Dollars and Ninety-three Cents per head. The taxation had increased from Three Dollars and Fifty Cents in 1870, to Five Dollars and Seventy-six Cents in 1876; that was the rate of taxation paid last year, but it was not enough to meet the expenditure of the country. Six Dollars per head is now required. In 1873 Mr. Tilley showed that the duty paid on goods entered for consumption was Ten and One-fifth per cent; in 1876 it was Thirteen and Fifty-four Hundredths per cent, showing the average duty had increased about one-third; in other words every person had to pay one-third more duty on the goods consumed by him. Where each one contributed Three Dollars in this way to the revenue in 1873, every man, woman and child has now to contribute Four Dollars. We used to pride ourselves upon this being a cheap country to live in. I fear we cannot boast of that any longer.

Our large unproductive expenditure is not only increasing our burdens at home, but is impairing our credit abroad. This was exhibited in the negotiation of the loan by the Finance Minister in October last. I do not intend to say one word in blame of the way in which that loan was negotiated. The first duty of the Minister of Finance was to make certain of success, because it would have been unfortunate for the country if he had failed. But he was completely in the hands of the moneyed men in England. He had to be

* In my opinion it is scarcely possible to over-estimate the importance of imparting a character of stability to our customs and excise legislation. I think it might be done without unduly fettering Parliament; and until it is secured money will not be forthcoming freely and confidently, for investment in industrial enterprises in this country. The experience of the sugar refiners of Montreal will serve as a warning for a long time to come. Capitalists will not expose their property to the possibility of being experimented upon—as sources of new taxation—by Ministers of Finance.

guided by the financial agents of the country, and although they might have advised him to place the loan at a low price, I would not blame them. The Dominion had no right to expect them to give us their money on better terms than they could obtain from others. We had no claim upon them, and when we went to them for a loan they treated us as a banker would a customer in this country. They would naturally ask what had been our success during the preceding year—what had been the measure of our prosperity. When this question was asked Mr. Cartwright, he must have told the truth—that there was a deficit amounting to one-third of the interest on the public debt, that there was a deficient harvest, and that the country was not as prosperous as it had been when he had negotiated his loan in 1875. At that time he had been able to give a very flourishing account of the country and of the use that had been made of the money borrowed by the Dominion. In a statement issued by him in London, on the 19th October, 1874, placing the condition of the Dominion before the capitalists of the world, Mr. Cartwright said :—" The whole of the debt has been incurred for legitimate objects of " public utility." * * * * " The indirect advantage from these pub- " lic works has already been found in the remarkable rapidity with which the " commerce and the material prosperity of the Dominion have been developed; " while a substantial increase in the direct returns may fairly be expected from " the improvements now in progress and to follow the steady progress of popu- " lation and trade. * * * * The revenue has shown a continuous " surplus during each year since Confederation, in 1867, although it has in " the interval been charged with much heavy expenditure of an exceptional " kind, such as the outlay connected with the several Fenian attacks on the " country, the acquisition and organization of new territory, and providing an " adequate defensive force for the Dominion. * * * * The eight years " since Confederation, therefore, exhibit an aggregate surplus of Two Million " Four Hundred and Forty-three Thousand One Hundred and Eleven Pounds " (equal to Eleven Millions Eight Hundred and Eighty-nine Thousand Eight " Hundred and Eight Dollars, and not including the sinking fund) which has " been partially applied in the redemption of debt, and partially expend- " ed in new works. The annual payment for sinking fund is included " in the current expenditure, and forms in the aggregate a further sum of " Seven Hundred Thousand Pounds (or Three Millions Four Hundred " and Six Thousand Six Hundred and Sixty-eight Dollars) since Confed- " eration." When the last loan was negotiated, the Finance Minister was unable to say anything so encouraging, but had to admit the existence of a deficit; and when asked what return he expected from the expenditure of former loans, he must have replied that an enormous amount was being expended in constructing a railway between Lake Superior and the Red River, through a country that was altogether unfit for settlement, and where the running of the road when finished would be attended with constant and very heavy loss. The lenders of money in England are very like those who lend money elsewhere. They are very apt to follow it and see what is being done with it. I venture to say there is not a year when a good many of those from whom we borrow, or their representatives, do not come to this country to see what we are doing with the money they have loaned to us. They will learn of the Fort Francis folly, of the large capital being hopelessly sunk in the railway between Lake Superior and the Red River, of the amount lost and locked up in the unfortunate steel rails speculation, of the contract for the Georgian Bay Branch Railway, and of several other unwise expenditures, to say nothing of more equivocal transactions. While I do not blame the Finance Minister for the manner in which he saw fit to issue the loan, I do

blame the Government for having brought the country to the condition in which it now is, and which compels us to borrow on such terms. I will state to the House what the terms really are on which the last loan was obtained. The loan, carrying interest from the first of November, was issued at Ninety-one. There was commission to the agents, One per cent. Then, by an extraordinary provision in the prospectus, the subscribers to the loan were allowed to deduct from the May instalment the six months' interest payable on the first of May. This was a remarkable condition. It was a direct payment of interest out of capital. It would be difficult to conceive anything more objectionable from every point of view than this arrangement. It diminished the amount of capital which the country should receive for the loan; it was a direct payment of interest out of capital, and without being passed through the books in this country, as it ought to have been. The Minister of Finance did not call the attention of Parliament to it; so that there was an absolute concealment from Parliament of a very important condition of the loan. It is unjustifiable that a portion of the principal should be withheld and applied to the payment of interest, as has been done in this case. The effect will be to mystify the Public Accounts, to conceal the true amount of the deficit on the thirtieth of June next; and if this be done Parliament and the country will be misled as to the true state of the public finances by means which can only be characterised as a "cooking" of the Public Accounts. The loan was issued early in November last, at Ninety-one per cent. but carrying interest at Four per cent. per annum on the full amount of its face from the first day of November. It was payable as follows, viz.:—

5	per cent.	on application	8th November.
15	"	on allotment	
20	"	on 31st January, 1877.	
20	"	on 27th March, 1877.	
20	"	on 25th June, 1877.	
11	"	on 25th July, 1877.	
9	"	discount.	
100			

By the conditions of the loan the subscribers were allowed to withhold the six months' interest payable on 1st of May, out of the instalment due on 25th of May, thus making it a payment of interest out of capital, and diminishing by the amount of such interest and sinking fund the principal sum to be received by the country from the loan. The deductions to be made are—

Discount	9	per cent.
Commission to agents	1	"
Six months' interest due 1st May, withheld	2	"
Sinking fund, agency, &c	½	"
	12½	per cent.

The net proceeds, as nearly as can be ascertained, in the absence of precise information from the Government, would be, loan £2,500,000 sterling, equal to	$12,166,666
Less, for discount, for commission, for interest withheld out of capital, sinking fund, agency, &c., in all 12½ per cent	1,520,833
	$10,645,833

To which will have to be added the amount received by the Government for interest upon the instalments of the loan paid in between November and May, but which I have not the means of ascertaining. I think it may be safely assumed, however, that the amount the country will receive will not exceed Ten Million Seven Hundred and Fifty Thousand Dollars ($10,750,000), while it will be paying interest, sinking fund, &c., upon the full face of the loan—Twelve Million One Hundred and Sixty-Six Thousand Six Hundred and Sixty-six Dollars ($12,166,666). The interest, sinking fund, &c., upon this sum will amount to about Six Hundred Thousand Dollars ($600,000) a year, and be an additional charge of that amount upon the Consolidated Revenue Fund, which will have to be provided by means of new and increased taxation. I will not detain the House any longer at this late hour; but from what I have stated I think honorable gentlemen will agree with me that prudence in respect to the public expenditure is most necessary; that there is an absolute and pressing necessity for the introduction of the retrenchment which the present Government promised, but has not given to the country.

SPEECH

ON STEEL RAILS—DELIVERED IN THE SENATE, OTTAWA, ON FRIDAY, APRIL 13TH, 1877.

Upon a motion of the Hon. Mr. Read, on the subject of the Steel Rails,

Hon. Mr. MACPHERSON said:—I am not surprised that the Hon. Secretary of State should manifest considerable feeling on this subject, but he will have to hear a good deal more about the Steel Rails speculation.

Hon. Mr. SCOTT—It was no speculation.

Hon. Mr. MACPHERSON—It was a speculation, and a most unprofitable one to the country, however profitable it may have been to some individuals. The Government manifested very little discretion in purchasing 50,000 tons of rails so long before any of them will be required—in purchasing rails for 550 miles of the Pacific Railway before one mile of it was located or surveyed.

Hon. Mr. SCOTT—10,000 tons went to the Intercolonial Railway.

Hon. Mr. MACPHERSON—That was an after-thought. The money which was applied for the purchase of them has been charged to the Pacific Railway. That was just one of the evils proceeding from this kind of speculation. The Government, finding it had committed a great blunder, assigned 10,000 tons of the rails to Railways in Nova Scotia and New Brunswick, involving an expenditure which would not otherwise have been incurred. If the Government Railways in the Maritime Provinces had remained in the hands of the Provincial authorities, does any one believe that 10,000 tons of steel rails would have been laid upon them?

Hon. Mr. SCOTT—Mr. Brydges reported that they were necessary.

HON. Mr. MACPHERSON—The rails had been bought, and when it was found they could not be used for the purpose for which they were purchased, they were diverted to the railways in the Maritime Provinces. Two years have passed since the Government purchased steel rails for 550 miles of the Pacific Railway, and yet not one mile of the road is in operation. The hon. Senator from Belleville (Mr. Read) has stated enough, with what was previously known, to render a committee of inquiry into this whole matter an absolute necessity. There is not time this session, but it should be undertaken as early as possible after the next meeting of Parliament. If there has been no partiality in the purchase and transportation of these steel rails, there has been a most unfortunate combination of circumstances calculated to excite suspicion against the Government, and it is necessary that the whole transaction should be cleared up. Cooper, Fairman and Co.'s name has again been brought before the notice of the House, now as agents for the

contractors, and they were, no doubt, interested in the contract for transporting the rails. A member of this House was one of the partners in that contract, The independence of Parliament Act does not reach this Chamber; but the honorable Senator from Hamilton should read the opinions expressed by the Minister of Justice upon members of the Senate being in any way engaged in transactions with the Government. The House will remember the attacks that were made upon a member of the Senate who had to discharge the duties of an important office, and who was appointed to this Chamber for the purpose of giving information to the Senate and to the public with respect to the Intercolonial Railway. If the Minister of Justice censured that, what would he not have said if the gentleman from Hamilton had had a lucrative contract with the Government, while holding a seat in this House? I will now bring to the notice of the House the actual cost of this steel rail speculation, so far as I can ascertain it, though I have not by any means all the items before me. It is no easy matter to find the items; some are in the Public Accounts, some in the report of the Minister of Public Works, and a large number, I apprehend, have not yet been brought into the accounts. The sum paid in England on account of the rails was Six Hundred Thousand Eight Hundred Pounds, equal to Two Million Nine Hundred and Twenty-three Thousand Nine Hundred Dollars: estimated freight to Montreal on 10,000 tons, Thirty Thousand Dollars; making a total of Two Million Nine Hundred and Fifty-three Thousand Nine Hundred Dollars, as the cost of the rails delivered in Montreal; the average cost per ton being Fifty-nine Dollars and Eight Cents. There was freight to Vancouver Island, Forty-eight Thousand Six Hundred and Sixty-six Dollars;* inland transport charges and insurance, Two Hundred and Twenty-two Thousand Eight Hundred and Eighty-four Dollars. Then there is the interest on Two Millions Nine Hundred and Fifty-Three Thousand Nine Hundred Dollars at five per cent, for an average period of two years, amounting to Two Hundred and Ninety-five Thousand Three Hundred and Ninety Dollars. I estimate the time at two years because the average will be found to be a great deal more before the rails are used, though it is a little less to-day; but before the cost ceases to bear interest, it will be twice that. The interest added to the other figures I have given, brings the total cost of these rails, at the present time, to Three Millions Five Hundred and Twenty Thousand Eight Hundred and Forty Dollars. Now, these figures are perfectly appalling.

Hon. Mr. Dickie—How much is that per ton?

Hon. Mr. Macpherson—Seventy Dollars and Forty-one Cents per ton. And the country has this enormous quantity of steel rails deteriorating at a rate that I cannot and will not venture to estimate, but which I know will be most serious. I am informed by parties who last autumn purchased steel rails of the very best quality, from the best makers, that they were laid down at Montreal this spring at Thirty-six Dollars per ton.

Hon. Mr. McLelan—I think the hon. gentleman must be in error. I notice the Government have paid at the rate of Forty-eight Dollars per ton this year for iron rails.

Hon. Mr. Macpherson—That is no proof that I am in error.

Hon. Mr. Hope—Who agreed to lay down the best steel rails in Montreal at that rate?

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* I have been given to understand that this item—although it is not so expressed in the return—is included in the amount of Six Hundred Thousand Nine Hundred Pounds paid in England.

Hon. Mr. MACPHERSON—One of the best makers in England.

Hon. Mr. SCOTT said he was informed that the Great Western Railway Company, at the time the Government purchased the 50,000 tons, had paid Eleven Pounds sterling per ton.

Hon. Mr. MACPHERSON—The honourable Senator from Toronto (Mr. McMaster) stated that last year—no doubt for the purpose of sustaining the Government in their great speculation. The Ebbw Vale Company is regarded as a first-class house, and they sold steel rails, deliverable at Prescott this spring, at Seven Pounds Fifteen Shillings (Thirty-seven Dollars and Seventy-one Cents) per ton.

Hon. Mr. SCOTT—Iron rails?

Hon. Mr. MACPHERSON—No; steel rails of the very best quality.

Hon. Mr. CAMPBELL—Steel rails—I have seen the invoice.

Hon. Mr. MACPHERSON—I allow One Dollar and Seventy-one Cents per ton for transport from Montreal to Prescott, and call the cost of the rails at Montreal Thirty-six Dollars per ton.

Hon. Mr. MCLELAN said this same company had furnished steel rails for the Intercolonial Railway, and they were the very best that had been laid on that road.

Hon. Mr. SCOTT—The company went into liquidation not long ago.

Hon. Mr. MACPHERSON—They changed from a partnership to a corporation; but the company is one of the largest in England. At no time have they fewer than 7,000 persons in their employment, and no ironmasters in England have a better reputation for furnishing rails of the very best quality than this same company.

Hon. Mr. SCOTT—But their rails are not all of the same quality and pattern?

Hon. Mr. MACPHERSON—The quality of the purchase I refer to was warranted to be the very best. Now, the 50,000 tons purchased by the Government cost Two Million Nine Hundred and Fifty-three Thousand Nine Hundred Dollars; but if they had waited until the present time—and, even now, they only require a small quantity—the rails could have been bought and delivered at Montreal for OneMillion Eight Hundred Thousand Dollars, showing a loss to the country by the speculation—by the purchase prematurely and imprudently made by the Government—amounting to One Million One Hundred and Fifty-three Thousand Dollars. Adding to this the interest, Two Hundred and Ninety-five Thousand Three Hundred Dollars, and freight to Vancouver Island, Forty-eight Thousand Six Hundred and Sixty-six Dollars, the actual loss to-day will be found to reach One Million Four Hundred and Ninety-seven Thousand Eight Hundred and Sixty-six Dollars, or say One Million and a Half of Dollars. In addition to this, there is the inland freight and insurance, amounting to Two Hundred and Twenty-two Thousand Eight Hundred and Eighty-four Dollars, which was paid before the rails were wanted. This enormous blunder would be a lasting charge upon the consolidated revenue fund of Seventy-five Thousand Dollars a year, at least.

In addition to all this, I understand there is a small army of caretakers and laborers employed about the rails, and the rails are deteriorating every day. Altogether, it is a most serious affair. The proper course for the Government to have pursued would have been to wait until the rails were required, and then to buy them at the market price, whatever it might be. As a matter of fact, had they done this they would have saved One and a half Millions of Dollars to the country. The present Government do not pretend to be more than simple administrators, because they have over and

over again declared that they could not introduce any new legislation to benefit the country in its present state of great depression. In other words, there is nothing in the science of government known to them by which they can by legislation assist the industries and promote the progress of the country. From the information which is being gained from day to day, the steel rail transaction, I fear, is a fair average specimen of the administration of the Government.

MEMORANDUM, SUPPLEMENTAL TO THE FOREGOING SPEECH.

It is difficult, I repeat, to obtain the information necessary to prepare a strictly accurate account of the Steel Rails transaction. The details have to be extracted from several sources, and they are not always given explicitly. Any statement of loss prepared now can, of course, only be approximate; but the ultimate actual loss is pretty certain to exceed any estimate of it that has been presented. The expenditure for Steel Rails and fastenings as nearly as I can ascertain is as follows:—

Paid in England, for 50,000 tons of Steel Rails, as per Parliamentary return, £600,800, (including freight to Canada of 40,000 tons, and to Vancouver Island of 5,000 tons)..	$2,923,900
The freight to Canada on the remaining 5,000 tons, I estimate at...	15,000
	$2,938,900
Paid on account of inland transport charges, insurance, &c...	222,884
Interest on ascertained payments to 30th June, 1877........	271,365
	$3,433,149

Including inland freight, labour and other charges, which must have been paid since 1st July, 1876, but of which we have not the accounts, the total amount disbursed by the Government must exceed THREE MILLIONS FIVE HUNDRED THOUSAND DOLLARS!

Interest is properly chargeable on all disbursements for materials from the date of payment until they are used in the Railway. I apprehend interest will thus be chargeable on the whole outlay in connection with the steel rail purchase for an average period of four years at least, which, on the amount at present known to have been paid out, will amount to Six Hundred and Ninety Thousand Five Hundred and Thirty-four Dollars.

THE PROFIT AND LOSS ACCOUNT of the Government steel rail speculation may be taken to stand about as follows, viz.:—

Cash paid in England for steel rails and fastenings..........	$2,938,900
The same quantity could have been purchased, deliverable this Spring in Canada, for	1,800,000
Loss on first cost............................	$1,138,900

Interest to 30th June, 1877, on ascertained payments.......	271,365
To this must be added the cost of 4,000 tons laid upon the Truro and Pictou Railway, a line that would not have been steeled had not the rails been on hand..........	235,120
(The Government has taken authority to transfer this Railway to Nova Scotia as a gift to a private Company.)	
Ascertained loss to the end of current fiscal year, 30th June, 1877	**$1,645,385**
Interest is running on at the rate of about $13,500 per month and is increasing—I estimate the further loss by interest before the rails are used at.........................	$419,169

It may be assumed that the country's loss by this unfortunate transaction, before the interest account can be fairly closed, will not be less than Two Millions of Dollars!

The Rails have been distributed as follows:—

5,000 tons to Vancouver Island, where they are not required.

11,000 tons to Nova Scotia, 4,000 tons of which are to be given away to a private Company.

And the remainder are at various places from Kingston to Manitoba.

SPEECH

ON HARBOUR IMPROVEMENTS.—DELIVERED IN THE SENATE, OTTAWA, ON TUESDAY, MARCH 13TH, 1877.

Hon. Mr. MACPHERSON said:—I beg to move that an humble address be presented to His Excellency the Governor General, praying that he will be pleased to lay before this House copies of the reports and estimates of the engineer upon the works proposed to be performed at the following ports or localities, namely:—

Arisaig	N. S.	Lingan Beach	N. S.
Annapolis	N. S.	Musquodoboit	N. S.
Baxter's Harbour	N. S.	Malpeque	P. E. I.
Bayfield	N. S.	Montague River	P. E. I.
Beach Point	P. E. I.	Nail Pond to Egmond Bay	P. E. I.
Beaver Cove	N. S.	North Sydney	N. S.
Bedeque	P. E. I.	Port Gilbert	N. S.
Canada Creek	N. S.	Pubnico	N. S.
Chipman's Brook	N. S.	Port Hood	N. S.
Cape Traverse	P. E. I.	Richibucto	N.B.
Christmas Island	N. S.	St. Peter's Bay	P. E. I.
Cove Head	P. E. I.	Scott's Bay	N. S.
Grand Manan	N.B	Truro	N. S.
Hopewell	N.B.	Victoria Harbour	N. S.
Hall's Harbour	N. S.	West Arichat	N. S.
Liverpool	N. S.	Walton	N. S.
Lingan	N. S.	West Sandy Cove	N. S.

I have given notice of this motion in consequence of seeing this list of thirty-four harbours which have been surveyed, and of which reports, plans and estimates have been sent to the Department of Public Works. I confess that I feel a good deal of alarm at seeing so great a number of new sites for harbours being reported on by order of the Public Works Department. Harbours are necessarily costly works, and I take it for granted, in the present case, that some of those proposed are mere inlets, to which little trade has resorted heretofore. The cost of improving these harbours will be followed by the establishment of custom houses, light houses, fog horns, and other expenses necessarily attached to harbour service. Considering that works of this kind are paid for out of revenue, and seeing that the revenue shows a deficit, I cannot understand how the Govern-

ment can encourage gentlemen interested, or the localities interested, with hopes that public money can be expended on new works of this kind at present. The surveys were ordered last year, although it was well known to the Government then that the revenue would show a deficit; and in my opinion the action of the Government in ordering the surveys and plans for these new works at that time was most reprehensible. It is the duty of the Government to resist the pressure which is brought to bear to force them into entering upon large and new expenditures, in the circumstances of the country. If ever there was a Government which should be able to resist such pressure it is the present Administration, as they not only have a large majority at their back, but they came into power pledged to economy and retrenchment. The surveys alone of new works in 1876 amounted to Forty-Four Thousand Three Hundred and Thirty-Three Dollars.*

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* In reply it was stated by the leader of the Government, in the Senate, that four only of these Harbours would be improved this year. The survey of so many more than can be required in the public interest was exceedingly blameworthy in the Government. The examination of an inlet and a favourable report upon it, by a Government Engineer, is accepted by the people of a locality as a promise of public expenditure, a pledge for a Harbour with all its expensive establishments, from a light-house to a landing-waiter. I fear many of these thirty-four Harbours, and sites for Harbours, were surveyed solely to appease exacting Parliamentary supporters. It would seem that under the leadership of Mr. Mackenzie an overwhelming Parliamentary majority instead of conferring strength and independence upon the Ministry, insuring pure and able administration, is a source of weakness to them, producing selfishness and demoralization among their followers, and leading, it is to be feared, to much reckless and corrupt expenditure of the people's money.

Now that the self styled party of Reform, Purity and Economy is charged with the Government of the country, instead of being guided by the considerations of patriotism, self-denial and self-respect which, from the professions of its members, it was expected would govern them, they really appear to be kept together by no higher motive than that which bands politicians of the baser sort, and which by our neighbours is felicitiously called "the cohesive power of public plunder."

SPEECH

ON THE BILL RELATING TO THE VIOLATIONS OF THE INDEPENDENCE OF PARLIAMENT ACT—DELIVERED IN THE SENATE, OTTAWA, FRIDAY, APRIL 27TH, 1877.

I will give my reasons for objecting to the Bill in its present shape. If it had been made a condition precedent to taking advantage of the provisions of the measure, that gentlemen should vacate their seats, I should be willing to relieve them from the penalties they have incurred. There is, however, a very wide distinction to be drawn between some of the alleged cases and others. Those members of the House of Commons who have unintentionally and unwittingly violated the letter of the Act through the action of a partner or clerk; by selling a small quantity of merchandise to an official of the Government, perhaps not knowing or suspecting at the time that the purchaser was an official, or that the purchase was for the Government; or by printing a Government advertisement in a newspaper, occupy a very different position from those who knowingly offended. It is alleged that gentlemen occupying the highest positions in the other House, and in the country, hold contracts with the Government, some of them being, it is alleged, Cabinet Ministers. There is a vast difference between these, who, from the positions they hold, are able to enrich themselves at the expense of the country by many thousands of dollars, and the men who have unknowingly violated the letter of the Independence of Parliament Act. I maintain that the Senate should not relieve, in any way whatever, those who are guilty knowingly and corruptly. If it be true, as is alleged, that high officials are Government contractors, drawing large sums of money from the public treasury, under contracts which it may be said they made with themselves, they are guilty of most scandalous conduct, and I contend Parliament should not relieve them of the legal penalties which attach to their conduct. As I do not see that on this the last day of the session the Bill can be amended in such a way as to relieve the innocent and leave the guilty to punishment, I shall be obliged to record my vote against the Bill.

CHANGE OF OFFICES AT OTTAWA.

N. B.—While these sheets have been passing through the press an unexpected shuffle of Cabinet offices has taken place at Ottawa, viz.: Mr. Laflamme to be Minister of Justice, *vice* Mr. Blake, who has become President of the Council, *vice* Mr. Cauchon, who has become Minister of Internal Revenue, *vice* Mr. Laflamme. This exchange of portfolios cannot fail, for obvious reasons, to be deeply disappointing to the people of nearly the whole Dominion. In Ontario, I think, it is calculated to produce positive uneasiness, as indicating that the influence of Messrs. Mackenzie and Blake in the Government is on the wane—the influence of the two Ministers in whom the friends of the Government in this Province placed their sole reliance. The changes are too important to permit it to be supposed that they are wholly due to the convenience, or choice, or ambition, of individual Ministers. I shall not impute to Mr. Blake the taking from personal motives only of a step which he must have known would derogate very seriously from the character and dignity of the present Government. If the labor of Mr. Blake's late office was more than he could perform without imperilling his health, he might have appointed additional assistants, and in that way have made his own work comparatively light and easy. It would have been better in the interest of the country if Mr. Blake had done this instead of exchanging an exalted office for one of little or no responsibility—a mere sinecure. The Minister of Justice is charged with higher moral responsibilities than any other Minister of the Crown in Canada. Upon him devolves the maintaining, and when necessary the amending, of our commercial and criminal law; to him Parliament looks for guidance in its deliberations on all Constitutional and Legal questions: upon his recommendation all the Judges of the Dominion are appointed; and it is upon his advice that the highest prerogative—the prerogative of mercy—is exercised by the Crown.

It is this office, with all its important and lofty attributes, that Mr. Blake has vacated in favour of Mr. Laflamme—an act which has filled the minds of the people of Ontario with amazement. No one desires that Mr. Blake should overtask his strength in the public service; but it is difficult to believe that he could not have assigned much of the toil of his late office to competent assistants. While he has divested himself technically of the responsi-

bility of the Ministry of Justice, Mr. Blake must be perfectly well aware that the people, especially the people of Ontario, will not be willing under all the circumstances to relieve him of moral responsibility to them for the administrative acts of his successor, Mr. Laflamme, for whose appointment Mr. Blake must be held responsible.

TORONTO, JUNE, 1877.



ERRATA.

On page 51, the Miscellaneous Items of Customs Expenditure are not given in the table, but are all included in the totals.

On page 55, "Total Increase of Debt in 1874, 1875, and 1876," for $31,471,255 *read* $31,461,255.

McK – 175 vs
McBlake – 135

John Schultz

